Management's Discussion and Analysis of the Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended June 30, 2025

Minsud Resources Corp.
340 Richmond Street West
Toronto, Ontario
M5V 1X2

Contact: Ramiro Massa
Phone: +1 416-479-4466
E-mail: rmassa@minsud.com

Contact: Mike Johnston
Phone: +1 416-479-4466
E-mail: info@minsud.com

MINSUD RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS

For the Three and Six Months Ended June 30, 2025

INTRODUCTION

The following is a Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Minsud Resources Corp. (the "Company" or "Minsud") to enable a reader to assess the financial condition and results of operations of the Company for the three and six months ended June 30, 2025.

This MD&A has been prepared as at August 29, 2025 unless otherwise indicated.

This MD&A should be read in conjunction with the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2025 and 2024 including the related note disclosure (the "Financial Statements"). The Financial Statements are presented on a consolidated basis and include the accounts of the Company, its wholly-owned subsidiary Minsud Argentina Inc. ("MAI"), and MAI's subsidiary Minera Sud Argentina S.A. ("MSA"), from January 1, 2024 to April 5, 2024. MSA is an Argentinean company in which MAI had a 99.63% ownership interest until close of the transaction with South32 Aluminum (Holdings) Pty Ltd ("South32") on April 5, 2024, which resulted in MAI's interest in MSA being reduced to 49.9%. The Financial Statements are prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar figures included therein and in the following MD&A are expressed in Canadian dollars unless otherwise indicated. References to US$ are to United States dollars.

The Company's head office and principal business address is 340 Richmond Street West, Toronto, Ontario M5V 1X2. The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and trades its common shares on the TSX Venture Exchange (the "Exchange"), under the symbol MSR. Additional information relevant to the Company's activities, including press releases, can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca or on the Company's website at www.minsud.com.

MANAGEMENT'S RESPONSIBILITIES FOR FINANCIAL REPORTING

The Financial Statements have been prepared by management in accordance with IFRS and have been approved by the Company's board of directors (the "Board"). The integrity and objectivity of the Financial Statements are the responsibility of management. In addition, management is responsible for ensuring that the information contained in the MD&A is consistent where appropriate, with the information contained in the Financial Statements.

The Financial Statements may contain certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis to ensure that the Financial Statements are presented fairly in all material respects.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its audit committee. The members of the audit committee are appointed by the Board and have sufficient financial expertise to assume this role with the Company. The majority of the audit committee members are independent and not involved in the Company's daily operations.

CAUTIONARY NOTE ON FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws (collectively referred to as "forward-looking information") which relate to future events or the Company's future performance and may include, but are not limited to, statements about strategic plans, spending commitments, future operations, results of exploration, anticipated financial results,

future work programs, mineral estimates and deposits, the mineral potential of the Chita Valley Project, capital expenditures and expected working capital requirements. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Readers are cautioned not to place undue reliance on forward looking information and there can be no assurance that forward looking information will prove to be accurate as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking information if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking information will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking information, include, but are not limited to: inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting drilling results and other geological data; the possibility of project delays and cost overruns or unanticipated costs and expenses; fluctuations in the currency markets (such as the Canadian Dollar, Argentine Peso and the United States Dollar); changes in national and local government, legislation, taxation, controls, regulations and political or economic developments in Canada and Argentina or other countries in which the Company may carry on business in the future; operating or technical difficulties in connection with exploration and development activities; risks and hazards associated with the business of mineral exploration and development (including environmental hazards or industrial accidents); risks relating to the credit worthiness or financial condition of suppliers and other parties with whom the Company does business; the presence of laws and regulations that may impose restrictions on mining, including those currently enacted in Argentina; employee relations; relationships with and claims by local communities; availability and increasing costs associated with operational inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses, permits and approvals from government authorities; business opportunities that may be presented to, or pursued by, the Company; challenges to, or difficulty in maintaining, the Company's title to properties; uncertainties relating to the availability and costs of financing needed in the future; and the factors identified under "Risk Factors" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking information, there may be other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

The forward looking information contained in this MD&A are based upon assumptions management believes to be reasonable including, without limitation: financing will be available for future exploration, development and operating activities; the actual results of the Company's development and exploration activities will be favourable or at least consistent with management's expectations; operating, development and exploration costs will not exceed management's expectations; all requisite regulatory and governmental approvals for development projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions will be favourable to the Company such as the continuing support for mining by local governments in Argentina; the price of gold and/or other applicable metals and applicable interest and exchange rates will be favourable to the Company or at least consistent with management's expectations; no title disputes will exist with respect to the Company's properties; debt and equity markets and other applicable economic conditions will be favourable to the Company; the availability of equipment and qualified personnel to advance exploration projects and; the execution of the Company's existing plans and further exploration and development programs for its projects, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans or programs.

This forward-looking information represents the Company's views as of the date of this MD&A. The Company anticipates that subsequent events and developments may cause the Company's views to change. The Company does not undertake to update any forward-looking information, either written or oral, that may be made from time to time by, or on behalf of the Company, subsequent to the date of this discussion, other than as required by law.

CORPORATE OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Ontario) on October 11, 2007 under the name "Rattlesnake Ventures Inc." and changed its name to "Minsud Resources Corp." on May 10, 2011 upon the completion of its Qualifying Transaction (as defined under the policies of the Exchange through which it ceased being a capital pool company).

As a result of its Qualifying Transaction, the Company acquired all of the issued and outstanding shares of Minsud Resources Inc. ("MSR") by way of a three cornered amalgamation resulting in the amalgamation of MSR and 1830835 Ontario Inc., a wholly owned subsidiary of the Company, to form MAI (the "Minsud Transaction"). At the time of the completion of the Minsud Transaction, MAI became the owner of 95% of the issued outstanding shares of MSA, which was previously held by MSR. As at December 31, 2024 and the date of this MD&A, MAI held 145,494,299 of the 291,571,799 outstanding common shares of MSA, representing an ownership interest of 49.90% (see discussion of the Earn-In Agreement below).

As of the date of this MD&A, the members of the Company's Board of Directors are Alberto Francisco Orcoyen, Carlos Alberto Adamo (non-executive Chairman), Agustin Dranovsky, Lucia Dragonetti, Pablo Taussig, Paul F. Andersen and Ramiro Massa. As of the date of this MD&A, Mr. Orcoyen, Mr. Adamo and Ms. Dragonetti form the Company´s audit committee, and Mr. Taussig, Mr. Adamo and Mr. Dranovsky form the compensation committee.

As of the date of this MD&A, the Board of Directors is made up of a majority of independent directors in accordance with the guidance of Canadian securities laws. The independent directors are Carlos Adamo, Lucia Dragonetti, Pablo Taussig and Alberto Orcoyen

PRINCIPAL BUSINESS OF THE COMPANY

The Company holds a 49.9% interest in MSA, whose principal focus is the development of the Chita Valley exploration project (the "Chita Valley Project") consisting of three contiguous core properties located in Argentina: the Chita, Brechas Vacas and Minas de Pinto mineral concessions (totaling 8,350 ha), and the five adjacent properties (Chita Este, Brechas Vacas Oeste, Chita Norte, Chita Sur and Fortuna I), totaling approximately 19,923 hectares. As of the date of this MD&A, MSA is the 100% owner of the properties constituting the Chita Valley Project.

A 0.6% net smelter return royalty ("NSR") is payable to the Brechas Vacas property owners, with MSA having the option to purchase a 0.3% NSR at any time for a one-time payment of US$400,000. A 2% NSR on future production revenue from the Chita Norte and Chita Sur exploration permits is payable to Troy Resources Argentina Ltd. MSA has the right to purchase one half or 1% of the NSR royalty by paying US$750,000. A 2% NSR on future production revenue from the Fortuna I exploration permit is payable to Teck Argentina Ltd. MSA has the right to purchase one half or 1% of the NSR royalty by paying US$600,000.

On October 9, 2024, Minsud signed an agreement with Patagonia Gold Plc. to transfer its 5% Net Profit Interest ("NPI) over the Gastrenor Property located in Chubut Province, Argentina in exchange for a 0.25% Net Smelter Return ("NSR") on future production on the entire property block, encompassing both the Mina Angela project and the Gastrenor Block.

On January 15, 2024, Minsud and MSA signed an agreement to transfer its ownership in the La Rosita project (5,986 ha), a gold and silver prospect located within the Deseado Massif in Santa Cruz Province, to an arm's length acquirer. In exchange for the transfer, MAI will receive a 2.5% NSR and the acquirer has the option to acquire 50% of the NSR for US$1,500,000.

On November 1, 2019, the Company signed an earn-in agreement (the "Earn-In Agreement") with South32 to explore the Chita Valley Project. The Earn-in Agreement granted South32 the right to acquire up to a 50.1% direct interest in MSA at the end of the 4-year earn-in period. On April 13, 2023, in accordance with the Earn-In Agreement, South32 exercised its earn-in right to acquire 50.1% of MSA.

On April 5, 2024, South32 was issued a 50.1% interest in MSA in consideration for the South32 initial capital contribution pursuant to the Earn-in Agreement. At the same time, South32 and Minsud entered into a shareholders' agreement to govern the management and operation of MSA which will include further exploration and, if economically feasible, the development and exploitation of the Chita Valley Project. Further, Minsud will not be obligated to contribute any amount to an approved program and budget for the Chita Valley Project until the later of (i) the date on which the aggregate of the South32 Initial Capital Contribution and future amounts contributed and funded by South32 in respect of MSA approved programs and budgets equals $42 million and (ii) April 5, 2026.

For more details relating to the Shareholders' Agreement, please see "Shareholders' Agreement with South32" below.

BUSINESS DEVELOPMENTS DURING THE SIX MONTHS ENDED JUNE 30, 2025

In February 2025, Minsud filed a new NI 43-101 Technical Report that includes the maiden Mineral Resource Estimate for the Chinchillones Complex deposit, which outlined the following:

- **Indicated Resources:** 188 Mt at 0.41% CuEq, 0.25% Cu, 0.11 g/t Au, 10.6 g/t Ag, 36 ppm Mo, and 0.16% Zn, containing 776 Kt CuEq.
- **Inferred Resources:** 573 Mt at 0.36% CuEq, 0.22% Cu, 0.09 g/t Au, 9.0 g/t Ag, 93 ppm Mo, and 0.11% Zn, containing 2.05 Mt CuEq.

Resources are reported above an NSR cutoff and are considered amenable to open-pit mining and flotation processing. The Chinchillones deposit spans a footprint of approximately 2 km x 2 km and remains open at depths beyond 1,000 m.

On March 26, 2018, Minsud filed a NI43-101 Technical Report and updated Mineral Resource Estimate on the Chita South Porphyry (PSU) Deposit, which outlined the following:

- **Indicated Resources:** of 33.02 million tonnes at a grade of 0.43% Cu, 0.07 g/t Au 2.28 g/t Ag and 0.018% Mo
- **Inferred Resources:** of 8.59 million tonnes at a grade of 0.40% Cu, 0.07 g/t Au. 1.73 g/t Ag and 0.016% Mo.

Although Chita South Porphyry is the second most drilled target within the project, with 150 m x 150 m drill spacing at shallow depths, its 2018 Mineral Resource estimate has not been updated and is no longer considered part of the current Mineral Resources. This is primarily due to the lack of supporting data and materials from earlier drilling campaigns. Core samples show poor preservation, and all pulp and reject materials were discarded due to financial constraints. Nonetheless, initial reviews suggest there may be opportunities to improve the supporting dataset, potentially allowing for a future reassessment of the Chita South Mineral Resource.

With favorable topography, abundant water, access to power, excellent infrastructure and friendly climate, the Chita Valley Project has field conditions to be able to explore on a year-round basis. There are no active alpine glaciers and the tenement area is below 4,100 m ASL.

EARN-IN AGREEMENT WITH SOUTH32

On November 1, 2019, the Company, MAI and MSA, signed the Earn-In Agreement with South32, a wholly-owned subsidiary of South32 Limited, to explore the Chita Valley Project.

South32 Limited is a globally diversified mining and metals company producing bauxite, alumina, aluminum, energy and metallurgical coal, manganese, nickel, silver, lead and zinc at its operations in Australia, Southern Africa and South America.

The Earn-In Agreement granted South32 the right to acquire up to a 50.1% direct interest in MSA at the end of the earn-in period.

Under the Earn-in Agreement, South32 was obligated to provide up to $14 million in capital contributions to MSA over a period of 4 years, as follows: (i) not less than $3.5 million by December 31, 2020; (ii) not less than an aggregate of $7 million by December 31, 2021; (iii) not less than an aggregate of $10.5 million by December 31, 2022; and (iv) not less than an aggregate of $14 million by December 31, 2023.

In accordance with the terms of the Earn-In Agreement, as amended between South32 and Minsud, South32 had the right to exercise its earn-in right upon advancing initial capital contributions to MSA of no less than C$14 million (the "South32 Initial Capital Contribution") for a period of four years in order to fund MSA's exploration programs. South32 advanced the South32 Initial Capital Contribution within a period of three years and on April 13, 2023, in accordance with the Earn-In Agreement, exercised its earn-in right to acquire 50.1% of MSA.

On April 5, 2024, South32 was issued a 50.1% interest in MSA in consideration for its previously funded capital contributions to MSA pursuant to the Earn-in Agreement. At the same time, South32 and Minsud entered into a shareholders' agreement to govern the management and operation of MSA which will include further exploration and, if economically feasible, the development and exploitation of the Chita Valley Project. Further, Minsud will not be obligated to contribute any amount to an approved program and budget for the Chita Valley Project until the later of (i) the date on which the aggregate of the South32 Initial Capital Contribution and future amounts contributed and funded by South32 in respect of MSA approved programs and budgets equals $42 million and (ii) April 5, 2026.

As of the date of this MD&A, South32 invested a total of $51.8 million (US$ 38.4 million) (December 31, 2024 - $44.4 million (US$33.1 million)) to the Earn-in Agreement. These payments had previously been deferred as a reserve in shareholders' equity of MSA and represented a portion of the funding that will form the consideration for South32's investment in MSA.

SHAREHOLDERS' AGREEMENT WITH SOUTH32

On April 5, 2024, MAI and South32 entered into the Shareholders' Agreement to govern the management and operation of MSA which will include further exploration and, if economically feasible and agreed by the shareholders, the development and exploitation of the Chita Valley Project.

Pursuant to the Shareholders Agreement, the business of MSA will be to conduct the exploration of MSA's properties and potential new properties in the immediate vicinity of the existing properties, evaluate the possible development on the properties, and take the necessary steps to develop, construct and operate a mining operation on the properties. The Shareholders' Agreement provides that the board of MSA be comprised of 5 directors, 2 of which are nominated by Minsud and 3 are nominated by South32. The board of MSA is responsible for managing the affairs of MSA and the Chita Valley Project.

Each year, MSA is required to prepare a program and budget that sets out the operations and planned expenditures of MSA for that year which includes the exploration program for the Chita Valley Project. The shareholders of MSA are required to fund the expenditures on a yearly basis based on their percentage interest in MSA. Should a shareholder fail to fund their required portion of the yearly program and budget then it will suffer dilution of its percentage interest in accordance with the terms of the Shareholders' Agreement.

Notwithstanding the above, Minsud will not be obligated to contribute any amount to an approved program and budget until the later of (i) the date on which the aggregate of the South32 Initial Capital Contribution and future amounts contributed and funded by South32 in respect of MSA approved programs and budgets equals $42 million and (ii) April 5, 2026.

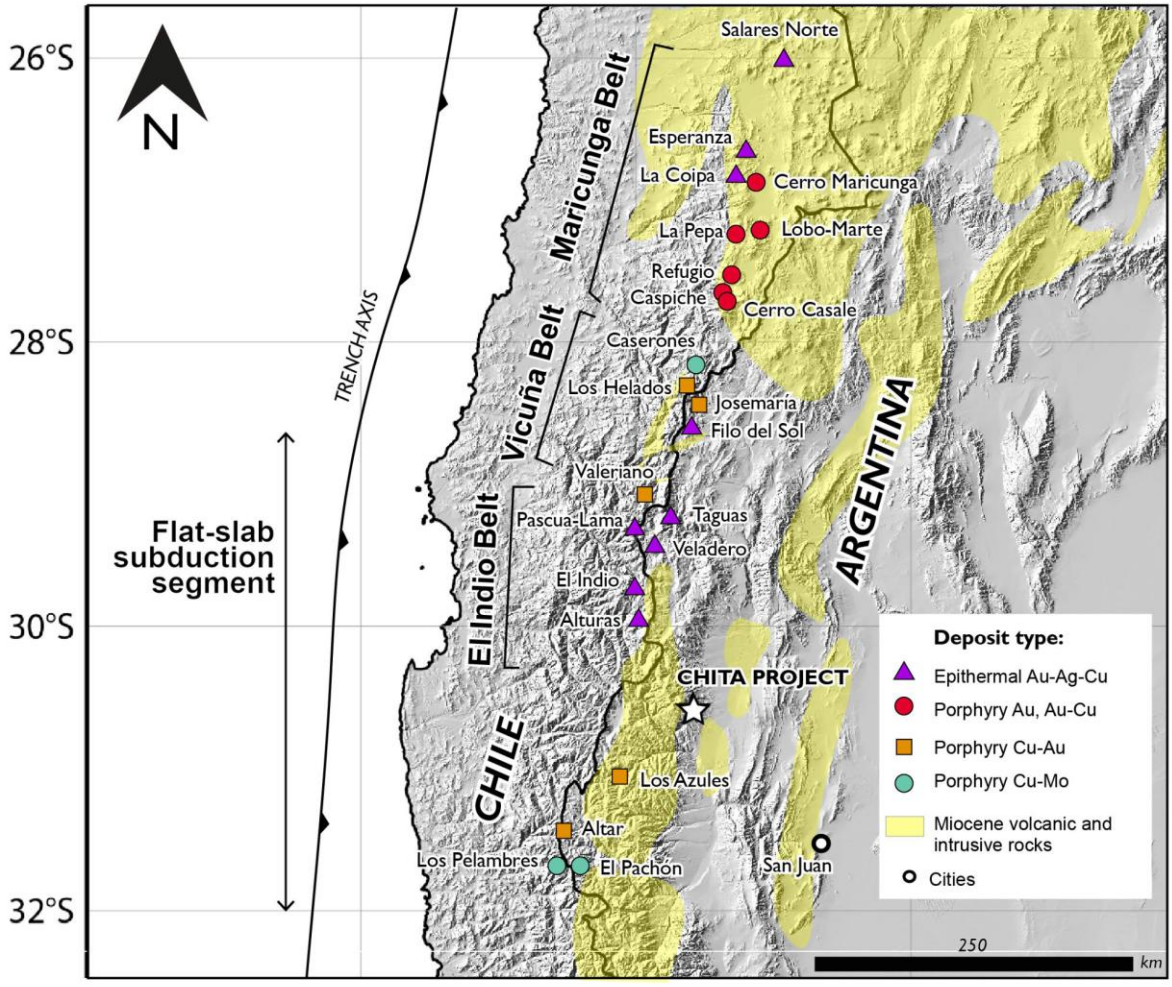
If the percentage interest of a shareholder of MSA is reduced to less than ten percent (10%) other than as a result of a transfer of shares as permitted by the Shareholders' Agreement, the shareholder is required to surrender its interest in MSA for cancellation, and in exchange for such interest the surrendering shareholder

will be entitled to a two percent (2%) NSR on products produced and sold from the Chita Valley Project. A copy of the Shareholders' Agreement can be found on the Company's profile at www.sedarplus.ca.

EXPLORATION ACTIVITIES/SUMMARY DEVELOPMENTS DURING THE SIX MONTHS ENDED JUNE 30, 2025

Geological Features

The Chita Valley Project is situated within the Iglesia-Calingasta-Uspallata depression, a transitional region between the Frontal Cordillera and the Precordillera. Additionally, it lies within the flat-slab segment of the Southern Central Andes. From a metallogenic perspective, the project is located within the highly prospective Miocene belt, specifically in the southwest of the El Indio belt (**Map 1**). The project is also located in proximity to other significant porphyry Cu-Au projects, including Altar and Los Azules.



Map 1. *Miocene volcanic and intrusive rocks in the Central Andes of Argentina and Chile. The figure shows the distribution of different types of mineral deposits along the Maricunga, Vicuña, and El Indio belts.*

The Chita Valley Project is located the eastern slopes of the Frontal Cordillera of San Juan, in the range known as Cordón de Olivares. Chita forms part of the broad NS-trending, late Oligocene to Miocene magmatic arc system, hosting numerous porphyry and epithermal deposits and prospects, which spans the northern transition zone between the Chilean-Pampean flat slab segment and the central Andean steep slab, including the Chilean

Maricunga gold belt to the north. In the neighboring El Indio belt, west of Chita (towards the Chile – Argentina border), volcanic rocks are widespread, whereas at the Chita Valley Project the volcanic pile is less extensive largely due to the exhumation during the kilometre-scale Miocene uplift which exposed the late Paleozoic to Triassic basement. These elements attest to the thin-skinned tectonics operative during the productive metallogenic event. Thin- and thick-skinned tectonic events are also operative during the emplacement of the major porphyry systems in Chile.

The Chita Valley Project geological evolution is tied to a thick-skinned thrust system that exposes Paleozoic and Triassic rocks, overlain by Mesozoic and Cenozoic volcanic and sedimentary successions in the Frontal Cordillera. A key feature of the area is the thick Upper Carboniferous–Permian Agua Negra Formation (**Map 2**), comprising sandstones, quartzites, lutites, and conglomerates with limestones at its stratigraphic top. The Agua Negra Formation was deposited in a littoral environment, the formation transitions from shallow marine at the base to continental fluvial deposits upwards. The maximum thickness is estimated at 3,400m.

The Agua Negra Formation lies unconformably over the Silurian–Devonian San Ignacio Formation, and is overlain, in unconformity, by volcanic and sedimentary rocks of the Choiyoi Group. Permo–Triassic granitoids of the Colanguil Batholith intrude the formation, including the Tocota Granitoid and Chita Granite (**Map 2**). This batholith exhibits centripetal zonation, with older intrusions located at the margins and younger bodies centred within. Major intrusive bodies in the vicinity of the Chita Valley include the Tocota and Chita plutons, as well as the Los Leones outcrop. The Tocota pluton comprises three successive pulses with mafic facies at its edges without evidence of penetrative deformation, indicating emplacement during post-Gondwanan extensional tectonics.

At the Chita creek, the Chita Granite is unconformably overlain by the Choiyoi Group (**Map 2**)—a Permian to early Triassic volcanic-sedimentary succession formed during an extensional regime. This group comprises the Castaño, La Chilca, and Las Pircas formations, characterized respectively by polymictic conglomerates, volcanic agglomerates, and layered andesitic to rhyolitic volcanic rocks. Miocene subvolcanic intrusives and lava flows of andesitic to rhyodacitic composition, collectively referred to as Tertiary intrusions (**Map 2**) or the Lomas del Campanario Formation, intrude these older units and exhibit hydrothermal alteration associated with porphyry-epithermal mineralization. To the west, the Cenozoic-Pleistocene Olivares Group (**Map 2**) forms an important magmatic expression, composed of the Poposa (andesitic lavas), Barrancas de Olivares (andesitic lavas, tuffs, breccias), and Volcancitos (andesitic flows) formations. This group discordantly overlies all older Paleozoic to Cenozoic units.

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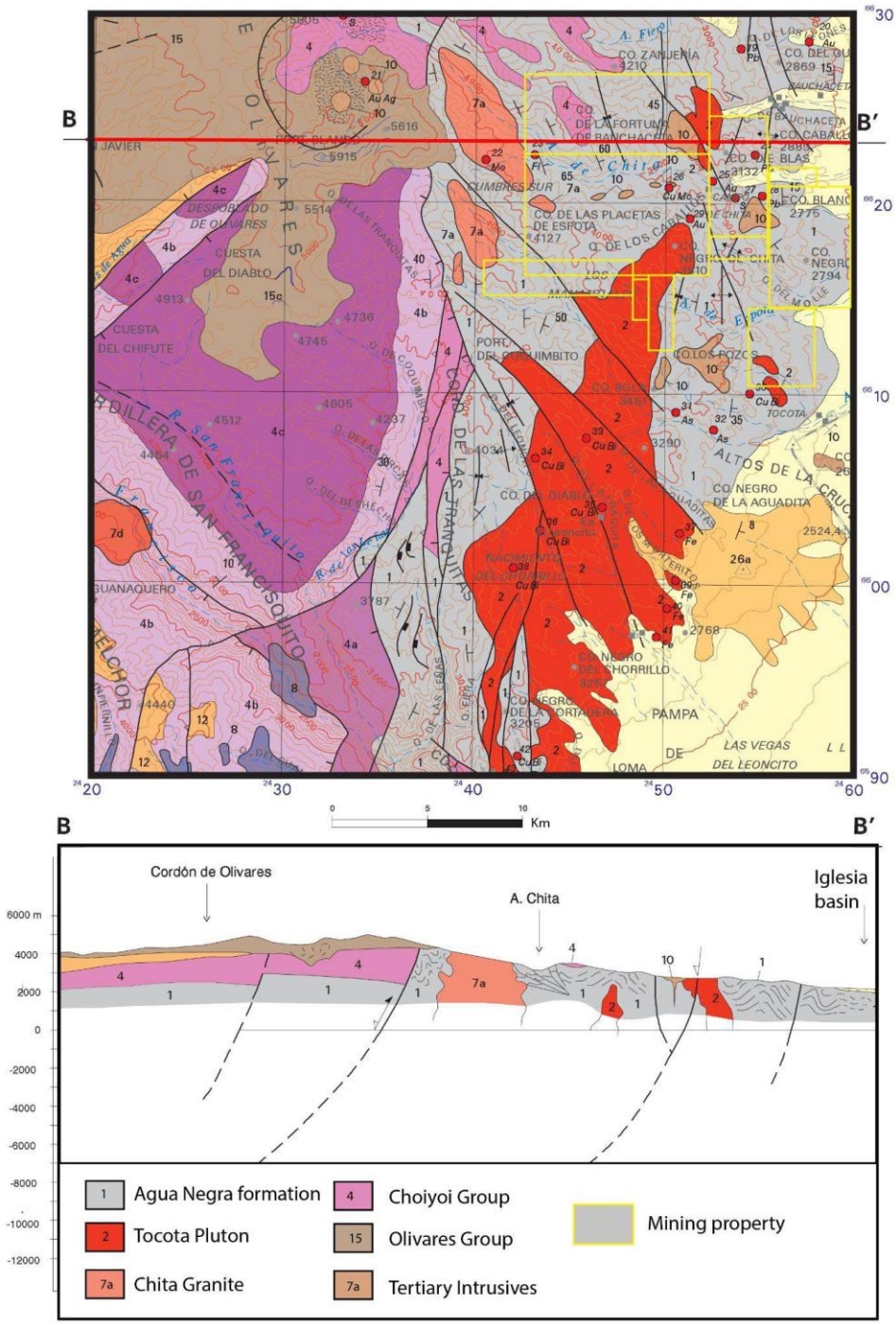


Map 2. *Local Geology map showing the main geological units in the study area.*

Younger intrusions from the Miocene period, including andesitic to dacitic rocks and nested dome-diatreme complexes, occur below the alluvial cover along the E-W Chita Valley transfer fault. These intrusions are closely linked to Cu-Mo (Au) porphyry and polymetallic epithermal mineralization.

The Chita Valley Project includes six exploration targets: Placetas, Placetas North, Link Zone, Chita South, Chita North, Minas de Pinto and the Chinchillones Complex deposit featuring diorite and quartz diorite

porphyries.The main structural controls include NS-trending faults, guiding hydrothermal fluid folds, NE-SW faults hosting high-grade polymetallic zones with magnetite depletion, E-W faults controlling breccias, paleochannels, and NW-SE faults with localized breccias and sinistral-slip kinematics. These structures influence the emplacement of intrusions, breccias, and mineralized zones.

Hydrothermal alteration is associated with porphyry and epithermal systems. These include potassic alteration, sericite-quartz-pyrite alteration, intermediate and advanced argillic alteration. These alterations are controlled by regional faults and fractures, highlighting interplay between tectonic and magmatic processes.

Chita Valley exhibits diverse mineralization styles, including Cu-Mo (Au) porphyry and Zn-Pb-Cu-Au-Ag epithermal deposits. These are structurally controlled, with variations in the sulfidation state evident in the epithermal polymetallic mineralization of the deposit, shaped by magmatic intrusions and hydrothermal fluids.

At the Chinchillones area, a sequence consisting mainly of quartzites belonging to the Agua Negra Formation are intruded by multi-phased quartz diorite-dacite porphyry intrusion complexes, hosting cross-cutting veins affiliated to coalescing concealed porphyry bodies. The Chinchillones target hosts an intermediate sulfide zone with Au-Ag-Cu-Pb-Zn mineralization, present in the form of hydrothermal breccias, dissemination, and veinlets, with structural characteristics consistent with the northeast structural trend observed at Chita North and Chita South, which also host anomalously high Au-Cu-Pb-Ag-Zn mineralization of a similar nature.

A total of 279 drill holes, encompassing 111,956 meters, has been completed between 1969 and August 15, 2025. This has primarily consisted of diamond drilling, while some holes have been reverse circulation (RC holes). The Chinchillones Complex is the most extensively drilled area, with a spacing of 150 m x 150 m, reducing to 80-100 m in denser zones. Drill depths have averaged 640 m, reaching a maximum of 1,380 m. These drill holes have enabled geological interpretation and the preparation of a Chinchillones Complex maiden Mineral Resource estimate. The 2021-2024 drill results at Chinchillones support continuous polymetallic mineralization (Pb-Ag-Zn-Cu-Au), affiliated with porphyry Cu-Mo deposit, occurring in a zone measuring at least 2 km x 2 km. The potential for a large porphyry copper-molybdenum system in the Chinchillones area has been interpreted to remain open at depth.

Drilling has confirmed higher-grade zones corresponding to discrete phreatic hydrothermal breccia bodies traversing the porphyry mineralization, indicating telescoping / hydrothermal collapse of the magmatic system. The presence of multiphase intrusions suggests a cluster of porphyry bodies which would present further compelling exploration targets.

Work Program/Exploratory Activities completed during the fiscal year 2024

The Chita Valley Project has been explored for over five decades by various companies, including Direccion General de Fabricaciones Militares (DGFM), Exploration Barlow Inc. (Barlow), Minas Argentinas S.A. (MASA), Rio Tinto Mining and Exploration (Rio Tinto), Silex Argentina S.A. (Silex), Minsud Resources Corp. (Minsud), and Minera Sud Argentina S.A. (MSA). Exploration activities have included geological mapping, geochemical sampling, and geophysical surveys.

In 2024, a total of 46 drill holes were completed (CHDH24-099 to CHDH24-142), totaling 26,969.60 m. Of this, 17,260.60 m from holes CHDH24-099 to CHDH24-126 were completed as part of an infill program aimed at increasing resource confidence, with drilling focused primarily on the Chinchillones target. The remaining 9,709.00 m, corresponding to 17 drill holes (CHDH24-127 to CHDH24-142), were carried out as part of a scouting program to test additional exploration targets, which are described in the following section.

During the fourth quarter of fiscal 2024, geological interpretation and a maiden mineral resource estimate were completed for the Chinchillones area. The estimate outlined the following:

- **Indicated Resources:** 188 Mt at 0.41% CuEq, including 0.25% Cu, 0.11 g/t Au, 10.6 g/t Ag, 36 ppm Mo, and 0.16% Zn, containing approximately 776 Kt of copper equivalent, 466 Kt of copper, 674 koz of gold, 63.5 Moz of silver, 6.8 Kt of molybdenum, and 291 Kt of zinc.

- **Inferred Resources:** 573 Mt at 0.36% CuEq, including 0.22% Cu, 0.09 g/t Au, 9.0 g/t Ag, 93 ppm Mo, and 0.11% Zn, containing approximately 2,049 Kt of copper equivalent, 1,244 Kt of copper, 1,650 koz of gold, 165.6 Moz of silver, 53.2 Kt of molybdenum, and 616 Kt of zinc.

The mineral resources are considered amenable to open-pit mining and flotation processing, based on Net Smelter Return (NSR) cut-off values. Copper equivalent values were calculated post-estimation using consistent economic parameters.

Between November and December 2024, geophysical work was conducted in the Placetas North area, consisting of 10 induced polarization (IP) survey lines with 200 m station spacing, totaling 29 km along a north–south orientation. Anomalies of interest were identified in both conductivity and chargeability.

Initial interpretation indicated zones of coherent high conductivity and chargeability encompassing approximately 1.4 km in a broad NE-SW direction, consistent with the structural orientation observed at Chinchillones. This trend defines the area prioritized for exploration as part of the 2025 scouting program.

Chinchillones Target

Since the commencement of the Earn-in Agreement with South32, a total of one hundred twenty-six (126) drill holes, covering 80,342.2 m, have been completed up to drillhole CHDH24-126, with which the infill drilling program has been completed.

The infill drilling program, initially planned for 27,084 m, has been successfully completed with a total of 41 drill holes and a total drilled length of 27,012.1 m. By the end of 2023, 13 drill holes (CHDH23-86 to CHDH23-98), totaling 9,838 m, had been finished. The remaining 28 drill holes, covering 17,174.1 m, were completed in 2024, marking the conclusion of the infill drilling program in the Chinchillones sector. The drill grid spacing is set at approximately 100-150 m, with an average drilling depth of around 800 m per hole.

- **CHDH24-103**: The drill hole intersected 384.0 m at 0.33% Cu, 5.85 g/t Ag, and 85 ppm Mo from 466.0 m, including 15.0 m at 2.47% Cu, 0.22 g/t Au, 30.13 g/t Ag, and 0.16 % Zn from 548 m depth. The core consists of up to 414.0 m of clast-supported phreatomagmatic breccia with mineralized clasts of dacitic porphyry, quartzites, and early diorite porphyry, featuring moderate to strong silicification and high-sulphidation veins, with estimated sulphides reaching up to 5%. From 414.0 m onwards, the dioritic porphyry exhibits moderate to strong quartz-sericite alteration with up to 3-5% sulphides (pyrite, tennantite, sphalerite) in a dense stockwork of various vein types. From 692.3 m onwards, the tonalitic porphyry exhibits moderate quartz-sericite alteration with a quartz-sulphide stockwork zone (20-25 veins/m) and up to 7% sulphides (pyrite, chalcopyrite, bornite, tennantite, molybdenite) in high-grade intervals.

- **CHDH24-120**: The drill hole intersected 118.0 m at 0.55% Cu, 0.20 g/t Au, 3.91 g/t Ag, and 44 ppm Mo from 466.0 m, including 21.9 m at 1.72% Cu, 0.74 g/t Au, 11.70 g/t Ag from 262 m depth. From surface to 91.4 m, the drill hole intersected mixed rock fragments and iron oxides transitioning into dacitic units with moderate argillic alteration and minor pyrite mineralization. Between 91.4 m and 543.4 m, quartzite and shale intercalations from the Agua Negra Formation displayed argillic, phyllic, and advanced phyllic alterations; from 163.0 to 295.0 m features HS mineralization in cavity-filled fractures and veins (pyrite, bornite, tennantite-tetrahedrite with chalcopyrite) and HS veins, 10-30 cm thick, carrying high-grade copper-arsenic values. Advanced argillic alteration, dominated by pyrite and high-sulfidation veins, is observed between 340 m and 426 m. From 543.4 m to 551.0 m, a medium-grained dioritic porphyry was encountered, featuring moderate phyllic alteration and molybdenum-bearing veins with 2–3% sulphides, mainly pyrite.

The exploration work conducted at Chinchillones between 2020 and 2024 formed the basis for the current geological interpretation and guided the development of a preliminary metallurgical testing program, completed by ALS Metallurgy Kamloops in 2022 and 2024. These efforts collectively support the conclusion that the Chinchillones target (officially referred to as the Chinchillones Complex deposit following resource delineation) demonstrates reasonable prospects for eventual economic extraction (RPEEE), as defined by the

Committee for Mineral Reserve International Reporting Standard, positioning it as a significant resource within the Chita Valley Project.

The deposit is considered potentially economic through open-pit mining and flotation, demonstrating reasonable prospects for eventual economic extraction (RPEEE). This conclusion is supported by the spatial continuity of mineralization, the application of Net Smelter Return (NSR) cutoffs, metallurgical performance from testwork results, and key technical and economic parameters. Copper, silver, and gold are the primary contributors to economic potential, with molybdenum and zinc providing additional value. The resource estimate is further supported by drilling data, preliminary metallurgical studies, and cost assumptions, including mining and processing costs and metal recoveries, which were used to calculate the NSR.

Metallurgical testwork for the Chinchillones Complex has been conducted in three phases, using composite samples from four main mineralization domains.

- Domain 1, high-grade silver and gold-rich polymetallic intermediate sulfidation (IS).
- Domain 2, high-grade copper and zinc-rich polymetallic IS.
- Domain 3, porphyry-style high-grade copper with or without molybdenum.
- Domain 4, a mix of porphyry and IS.

These tests evaluated rock hardness, flotation performance, and the quality of metal concentrates. Results showed that the dominant copper minerals are chalcopyrite and tennantite/enargite, with certain domains presenting challenges related to high arsenic and zinc levels in the concentrates.

The testwork revealed clear differences in metallurgical behavior between domains with high and low zinc content. High-zinc domains showed lower copper recoveries and higher zinc in the copper concentrate, while low-zinc domains achieved better flotation performance and higher copper recoveries. Overall, copper recovery reached over 80% in some cases, with concentrate grades around 28% Cu, although arsenic and zinc remained above penalty limits. Complementary hydrometallurgical studies are being considered to reduce impurities while maintaining high metal recoveries.

The Mineral Resource is reported using NSR cutoffs, with copper, molybdenum, and zinc concentrates considered. Due to the complex mineralogy, recoveries and concentrate grades were estimated using mineralogy-based methods instead of fixed metal recoveries. Metal prices used include: copper at US$4.30/lb, gold at US$1,985/oz, silver at US$24/oz, molybdenum at US$15/lb, and zinc at US$1.30/lb. NSR thresholds of US$10/t (low zinc) and US$11.65/t (high zinc) were applied, using cost assumptions for mining, processing, and general expenses.

Consistent with CIM Definition Standards (CIM, 2014), the Mineral Resource Estimate has been classified and includes both Indicated and Inferred Mineral Resources as summarized in tables below. This classification reflects the quality of data, spacing of drill holes, and the geological understanding of the deposit. It is reported in compliance with the requirements of the Canadian Securities Administrators' National Instrument 43-101 (NI 43-101).

The following table presents the Chinchillones Mineral Resource Estimate as of January 15, 2025, including the estimated grades for the economically relevant metals.

Domain	Classification	M Tonnes	CuEq (%)	Cu (%)	Au g/t	Ag g/t	Mo (ppm)	Zn (%)
Low Zinc	Indicated	147	0.36	0.27	0.11	8.7	46	-
	Inferred	494	0.31	0.22	0.09	7.8	108	-
High Zinc	Indicated	41	0.61	0.18	0.13	17.6	-	0.72
	Inferred	79	0.63	0.21	0.1	16.5	-	0.78
Total	**Indicated**	**188**	**0.41**	**0.25**	**0.11**	**10.6**	**36**	**0.16**
	Inferred	**573**	**0.36**	**0.22**	**0.09**	**9.0**	**93**	**0.11**

The following table presents the Chinchillones Mineral Resource Estimate as at January 15, 2025, including contained metal estimates.

Domain	Classification	M Tonnes	CuEq Metal kt	Cu Metal kt	Au k Oz	Ag M Oz	Mo Metal kt	Zn Metal kt
Low Zinc	Indicated	147	532	392	512	40.8	6.8	
	Inferred	494	1,548	1,074	1,395	123.5	53.2	
High Zinc	Indicated	41	244	74	162	22.7		291
	Inferred	79	501	170	255	42.1		616
Total	**Indicated**	**188**	**776**	**466**	**674**	**63.5**	**6.8**	**291**
	Inferred	**573**	**2,049**	**1,244**	**1,650**	**165.6**	**53.2**	**616**

Notes:

(1) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. It is noted that no specific issues have been identified as yet.

(2) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve.

(3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines.

(4) The resource is reported above Net Smelter Return (NSR) cut offs – for the low zinc geological domain US$10/t (US$9/t milling + US$1/t G&A) and for the high zinc geological domain US$11.65/t (US$10.65/t milling + US$1/t G&A). An optimized pit shell was utilized to constrain Mineral Resource reporting that used a US$1.90/t mining cost, the above milling/G&A costs and with overall 45 degree pit slopes.

(5) The metal prices used for the NSR calculation in US$ are $4.30/lb Cu, $1,985/oz Au, $24/oz Ag, $15/lb Mo, $1.30/lb Zn. Metallurgical recoveries for the low zinc domain are 87% Cu, 40% Au, 65% Ag, 50% Mo. Metallurgical recoveries for the high zinc domain are 60% Cu, 40% Au, 70% Ag, 55% Zn.

(6) The copper equivalent (CuEq) grades use the metal prices and recoveries as used for the NSR calculation; for the low zinc domain CuEq_% = Cu_% +(Au_ppm x 0.3095) + (Ag_ppm x 0.0061) + (Mo_ppm x 0.0002). For the high zinc domain, CuEq_% = Cu_% +(Au_ppm x 0.4488) + (Ag_ppm x 0.0095) + (Zn_% x 0.277). Note that Zn is not recovered in the low zinc domain, and Mo is not recovered in the high zinc domain.

(7) The figures in the above tables may not add up due to rounding

Scouting Drilling Program

During the 2024 exploration campaign, MSA conducted a targeted scouting drilling program across multiple areas within the Chita Valley, aimed at evaluating geological potential beyond the current resource boundaries. The program focused on testing key geophysical and geological targets. A total of 9,709 m was drilled across 16 holes, distributed among the Link Zone, the area between Chita South and Cerro Solo, and the Dacites North sector. Key geological observations and early-stage results from each area are summarized below.

- Link Zone: A total of 4,635 m in 8 drill holes (CHDH24-127 to CHDH24-132, CHDH24-134 and CHDH24-136) confirmed the presence of a large dacitic porphyry body with associated phreatomagmatic breccias and limited hydrothermal alteration (intermediate argillic: illite-smectite ± muscovite), interpreted as late- to post-mineralisation phase. This unit covers over 80% of the area and is more extensively developed than in the Chinchillones Complex. It is bounded to the south by Agua Negra Formation consisting of quartzites, further limiting the potential for mineralization. In the northern portion, minor Zn-Pb-Ag mineralized structures with a NNE trend were intersected, consistent with features observed elsewhere in the Chita Valley, providing evidence of mineralization and indicating open exploration potential that warrants further investigation.

- Cerro Solo: A total of 1,511 m in 2 drill holes (CHDH24-133 and CHDH24-135) explored an area of approximately 400 × 400 m, located between the northern portion of Chita South Porphyry, the eastern edge of Link, and the southern limit of North Porphyry. Drilling intersected quartz diorite and medium-grained diorite bodies associated with early-stage mineralization, characterized by strong stockwork and A+B veining, as well as dominant potassic alteration (secondary biotite, magnetite, and relict K-feldspar). Patchy sericite overprint and crystal replacement were also observed. These units are cut by dacitic

intrusions from an intermediate mineralization phase, with abundant D-type veining exceeding the earlier styles.

Although copper grades are low (~0.1% Cu), molybdenite veining is notable, with molybdenum exceeding 100 ppm and representing the main exploration interest. The extension of mineralized dioritic and dacitic bodies beyond the current Chita South Porphyry boundary makes this area one of the most prospective. Molybdenite samples were collected for age dating to determine whether the mineralization represents a younger Mo-Cu event than the Chita South Porphyry, potentially linked to the Chinchillones system, suggesting additional exploration potential in the area. Together with the results from drill hole CHDH24-141, the findings suggest that the Chita South Porphyry mineralization could extend to the east and north.

- Area between North Porphyry and Dacites North: MSA has completed a total of 2,327.5 m in 4 drill holes (CHDH24-137 to CHDH24-140) confirmed the presence of early-stage andesitic porphyry intrusions with weak mineralization and dominant argillic to propylitic alteration. Dacitic rocks were only intersected in CHDH24-136, with limited near-surface mineralization likely related to secondary enrichment. Some anomalous Zn-Pb-Cu values were associated with NNE-trending intermediate sulfidation style structures (veins), consistent with regional mineralization trends across the Chita Valley.

- Chita South Porphyry: drill hole CHDH24-141 (701 m), completed at the northern edge of the Chita South Porphyry sector, was drilled to investigate a geophysical anomaly identified in 2023 near holes PSU14-23 and PSU14-26. The hole intersected dioritic and dacitic porphyries with moderate phyllic and potassic alteration. A sulphide-rich interval from 36 to 106 m (70 m in total length) averaged 0.30% Cu and 168 ppm Mo, confirming that mineralization remains open toward the north and highlighting the potential to extend the sulphide envelope at Chita South.

- Cerro Blanco: drill hole CHDH24-142 (534.5 m) intersected a sequence of fine-grained quartzites, andesitic porphyries, and sandstones with weak argillic to phyllic alteration and minor disseminated pyrite (<2%). The hole encountered fractured and brecciated zones, occasional calcite and pyrite veins, and minor geochemical anomalies (Mn ± As), but no economically significant mineralized intervals were identified.

Work Program performed during fiscal 2025 to the date of this MD&A:

From January 1, 2025 to August,15 2025, a total of 30 drillholes were completed (CHDH25-143 through to CHDH25-154; PLDH25-143 through to PLDH25-148; PSUDH25-155 through to PSUDH-172) encompassing 11,914m. These drillholes were focused on testing the following:

- Extents of the NI43-101-compliant resource at the Chinchillones polymetallic (Cu-Au-Mo-Zn-Pb-Ag) deposit
- Extents and in-fill to the supergene-enriched PSU (Porphyry Chita Sur) porphyry Cu-Mo-Au deposit
- Scout drilling Placetas Norte prospect targets

The summary of the significant drilling results is shown in Table 1 below and drillhole locations are shown in Maps 3 and 4.

Table 1: Scout Diamond Drilling Program – Summary of Significant Results

Hole ID	From (mt)	To (mt)	Length (1) (mts)	Cu %	Au g/t	Ag g/t	Mo ppm	Pb ppm	Zn ppm
CHDH25-150	254	258	4	**0.48**	0.13	**11.54**	4	88	663
CHDH25-151	28	52	24	**0.3**	0.1	**20.22**	63	218	350
	170.2	329	158.8	0.09	0.06	**7.22**	8	702	**3137**
	389	396	7	1.51	0.25	**58.84**	10	1298	**4063**
CHDH25-152	69.5	74	4.5	0.13	0.28	**176.68**	3	6328	**10516**
	92	94	2	0.04	0.38	**99.62**	2	3535	**17368**
	214	218	4	0.06	0.16	**39.03**	4	9928	**31788**
	489	494	5	0.02	0.06	**17.38**	1	1579	**12745**
CHDH25-153	180	208	28	0.03	0.07	1.3	1	35	**7821**
	300	326	26	**0.32**	0.13	**10.72**	2	90	281
CHDH25-154	106	118	12	0.12	0.13	**13.04**	1	541	1133
	202	218	16	0.16	0.03	3.96	1	160	558
	294	298	4	0.24	0.11	**26.79**	3	194	1341
PSUDH25-155	22	142	120	0.21	0.09	1.47	77	7	49
Inc	42	74	32	**0.34**	0.13	3.12	58	12	33
PSUDH25-156	52.8	110	57.2	0.17	0.05	1.39	83	10	17
PSUDH25-157	46	102	56	0.19	0.06	2.91	62	14	58
PSUDH25-158	38	108	70	0.24	0.02	0.47	237	5	23
	152	314.2	162.2	0.13	0.03	1.28	240	10	102

Chinchillones Surrounds

The drillholes completed include CHDH25-150, CHDH25-151, CHDH25-152 which tested and confirmed the southwest continuity of the NE-trending, 2.0km-long and 0.9km-wide polymetallic zone. This zone hosts the High Zinc resource base portion of the Chinchillones polymetallic deposit (*see 43-101 Technical report Mineral Resource Estimate for Chita valley Project dated January 17, 2025*).

The High Zinc polymetallic resource, forming an important component to the overall Chinchillones deposit, has been reported to contain at both indicated and inferred categories of 41 Mt (0.72% Zn, 17.6 g/t Ag, 0.13 g/t Au and 0.18% Cu) and 79 Mt (0.79% Zn, 16.5 g/t Ag, 0.10 g/t Au and 0.21% Cu), respectively.

At CHDH25-151 (150°azimuth and 65°dip; total depth of 500.8m), mineralization from 152m to 320m is dominantly hosted in silicified sandstones (quartzites from Agua Negra Formation) and dacitic breccias. The sulfides, consisting of pyrite, sphalerite, tennantite occur as disseminations and in quartz veins. Mineralization is accompanied by pervasive kaolinite-illite-fine-grained clays.

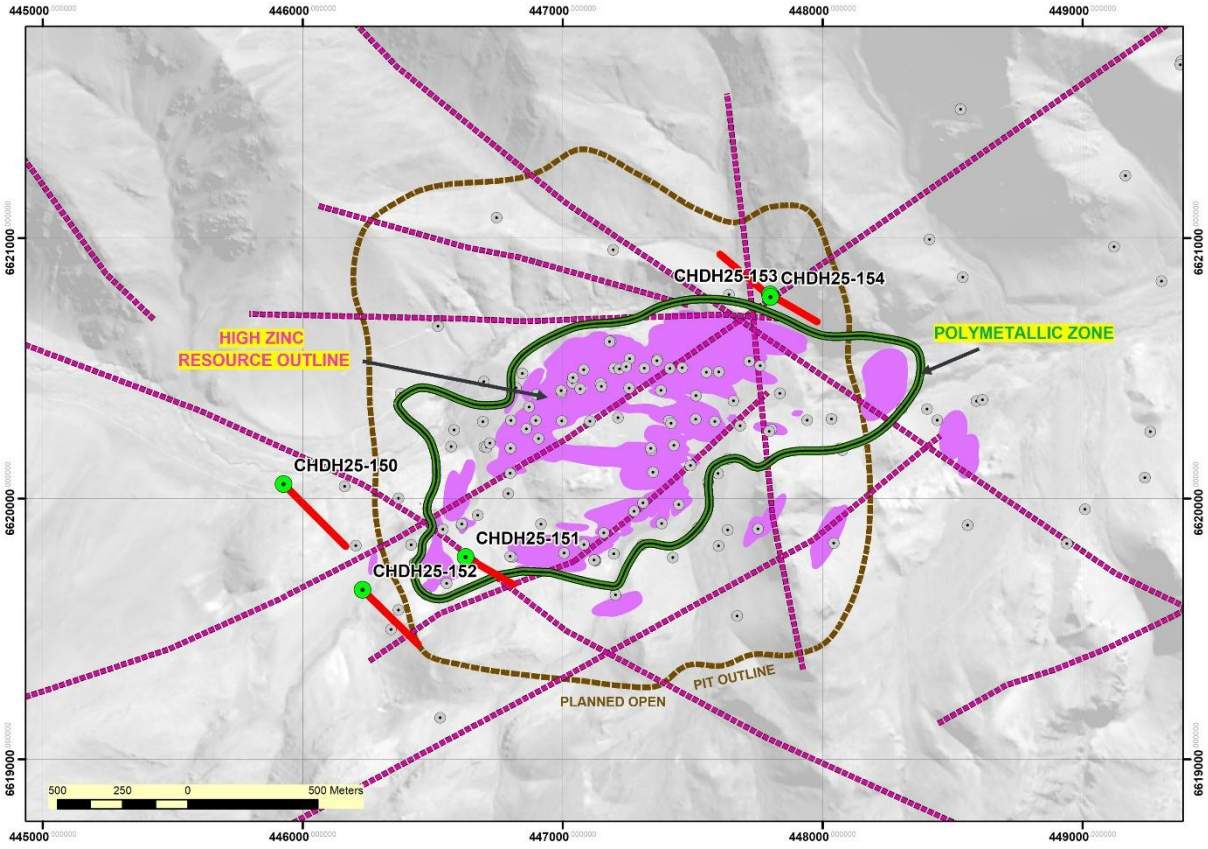
At CHDH25-152 (135°azimuth and 60°dip;total depth of 600m), the discrete polymetallic veins yielded high-grade values of up to 756 g/t Ag, 1.08 g/t Au, 4.5% Zn, and 2.75% Pb (2m-interval sample from 70m), implying increasing silver endowment to the southwest, which is still largely untested by drilling and outside of the open-pit limit design. Host rocks include dacitic lithologies with associated hydrothermal breccias intruded into silicified quartzites.

Drillholes CHDH25-153 and CHDH25-154 were drilled 240m NE of the last fence of drillholes included in the maiden Chinchillones resource estimate.

Drillhole CHDH25-153 (150°azimuth and 65°dip; total depth of 492.6m) intersected mainly andesitic rocks and early diorite porphyry cut by intermediate sulfidation quartz-rhodochrosite veins with pyrite-sphalerite-chalcopyrite-galena-tennantite. Increased vein densities were observed in the intervals 180-210m and 300-330m.

Drillhole CHDH25-154 (320°azimuth and 60°dip; total depth of 510m) intersected lithologies similar to CHDH25-153 dominated by fine-grained andesitic rocks. Mineralization occurs as pervasive disseminations, as cavity-infill, as veins and linear vein breccias and along fractures. Veins contain rhodochrosite, sphalerite, galena, tennantite and chalcopyrite. Vein density increased at 100-120m, and 200-220m. Advanced argillic alteration consisting of secondary silica-pyrophyllite-kaolinite and pyrite generally accompanies the mineralization.

Thus, the polymetallic zone is demonstrably open to the SW and NE directions.



Map 3. *Completed drillholes CHDH25-150 through to CHDH25-154 shown relative to the outlines of the estimated High Zn resource (indicated and inferred categories consist of 291 kt contained Zn with grades of 0.72% Zn, 17.6 g/t Ag, 0.13 g/t Au and 0.18% Cu and 616 kt contained Zn with grades of 0.79% Zn, 16.5 g/t Ag, 0.10 g/t Au and 0.21% Cu, respectively) in conjunction with the pit outline employed in the resource estimation. The polymetallic zone is delineated based on drillcore assays and drillcore logging.*

Drill core Photograph 1. *CHDH25-151/70.2m. High-grade argentiferous polymetallic vein breccia hosting secondary silica-rhodochrosite-sulfides (sphalerite-galena-Au-Ag tellurides). The 2m-drill interval including this 25cm drillcore yielded* ***756 g/t Ag, 4.5% Zn and 1.1 g/t Au.***

PSU Surrounds

Drillhole PSUDH25-155 is the first of the planned drillholes focused on expanding and in-filling the supergene-enriched, open-pittable PSU historical resource base (indicated resource category of 33Mt @0.43% Cu, 180 ppm Mo, 0.07 g/t Au and 2.28 g/t Ag and inferred category of 8.6Mt@ 0.4% Cu, 160 ppm Mo, 0.07 g/t Au and 1.73 g/t Ag (from *NI 43-101 Technical report and Updated Mineral Resource Estimate on the Chita Valley Project, San Juan, 2018*).

Drillhole PSUDH25-155 (315° azimuth and 60° dip; total depth of 321m), which is 120m outside of the projected 0.25% Cu isosurface derived from the historical resource estimation, intersected oxidised and argillic-altered dioritic porphyry (kaolinite-clays-illite) with abundant quartz-sulfides veining. Pyrite and chalcopyrite are replaced by chalcocite-digenite below the oxide zone at 53m. Quartz-molybdenite-chalcopyrite-pyrite veinlets become common from 124m.

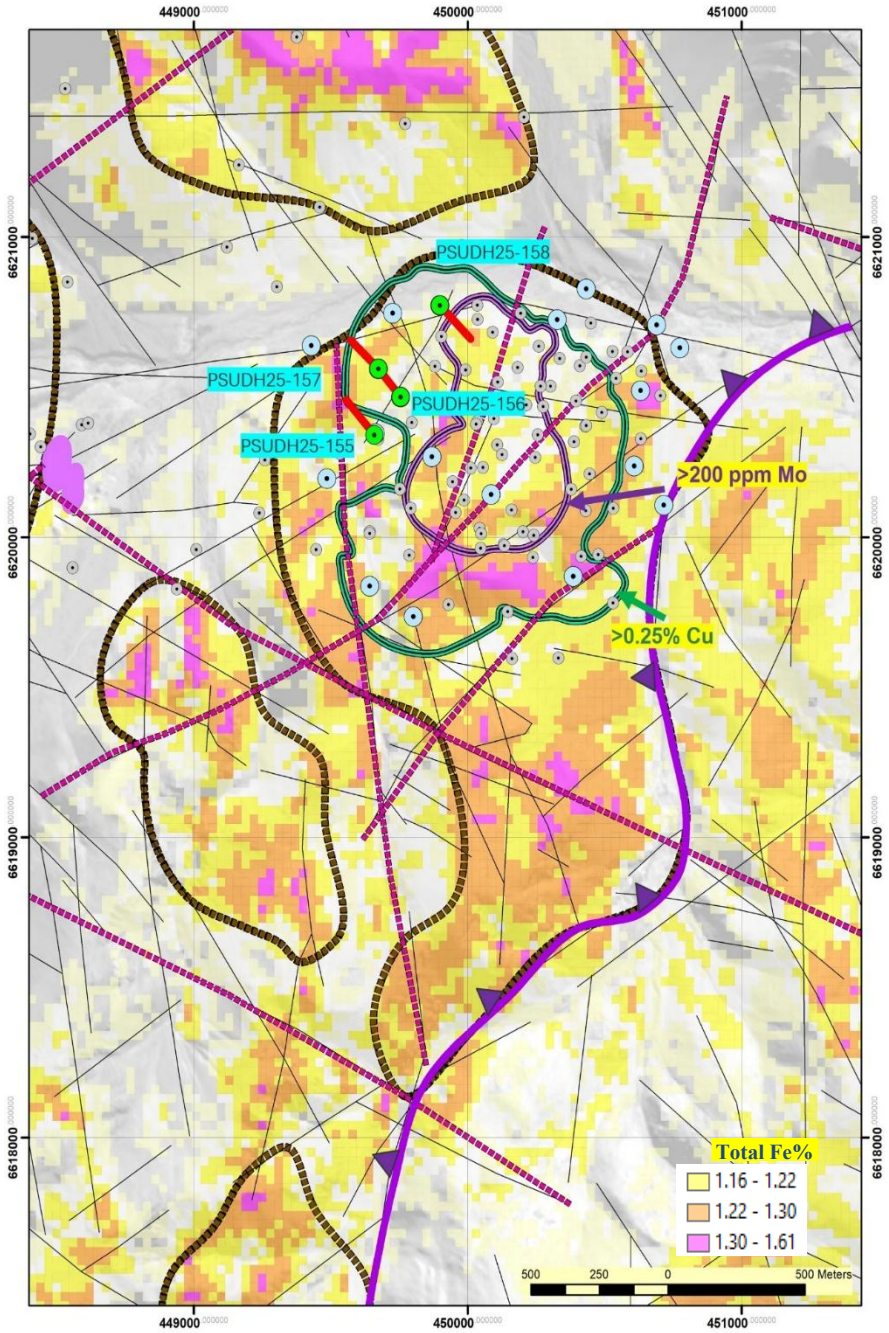
Thus, the 32m @ 0.34% Cu and 58 ppm Mo within a wider interval of 120m @ 0.21% Cu and 77 ppm Mo from 22m demonstrated that the resource base of the supergene-enriched, open-pittable PSU deposit has the potential to be substantially expanded and upgraded.

Drillhole PSUDH25-156 (315°azimuth and 60°dip; total depth of 261m) intersected highly oxidised (jarosite-goethite) diorite porphyry to 53m and at depth, transitional to a sulfidic zone hosting porphyry-related veinlets (quartz-pyrite-chalcopyrite-molybdenite; B- and D-type veins) with the sulfides replaced by chalcocite and digenite. At 142m, the dioritic porphyry body is traversed by quartz stockworked zone of white mica-quartz-pyrite-chalcopyrite-molybdenite altered dacitic intrusion.

Drillhole PSUDH-157 (315°azimuth and60°dip; total depth of 252m) intersected dioritic porphyry from 3m characterised by a mixed zone of iron oxides (jarosite-goethite-hematite) with preserved sulfidic veins hosting pyrite-chalcopyrite and molybdenite. From 45m, the chalcocite-digenite replacement of sulfides become apparent. At depth from 98m through to 252m (end of hole) the lithologies become multi-phased with dacitic, andesitic and dioritic intrusion phases hosting copper sulfides.

Drillhole PSUDH-158 (135°azimuth and 60°dip; total depth of 314.2m) confirmed the extension of the higher-grade molybdenum zone (>200 ppm Mo) hosted in diorite porphyry and affected by supergene chalcocite-digenite in the mixed oxide-sulfide zone commencing from 25m through to 84m below surface. Thence through to the end of the drillhole, the dioritic host rocks exhibit phyllic (white mica-quartz-pyrite) overprint over potassic (secondary biotite-K-feldspar-magnetite) hosting quartz-molybdenite-chalcopyrite stockworked quartz veining (B-type porphyry-related veinlets).

The total iron mapped from Landsat 8 imageries (see Map 4 below) demonstrates coherent available total iron over PSU and extends farther south for at least 1.7 kilometres along strike. This significant total iron footprint is also coincident with structurally perturbed area, along the hanging wall to the NS-trending thrust fault, providing ideal environment for the development and transport of acidic fluids required for the dissolution and enrichment (vertical or lateral transport) of copper-bearing sulfides in the weathered profile. Interestingly, the high total Fe also affected the older Permian granitoids immediately to the east.



Map 4. *Chita South (PSU) porphyry Cu-Mo-Au deposit illustrating the location of the drillholes PSUDH25-155-PSUDH25-158 reported here, projected to surface >0,25% Cu and >200 ppm Mo isosurfaces, location of drilled holes and the drillholes planned (average 300m) at the Chita resource in-fill and expansion*

program. The base map is the total Fe obtained from Landsat 8 bands combination and emphasizes extensive available iron (from sulfides).

Regional Targeting Highlights

- Extensive geological, geophysical and geochemical synthesis confirms highly prospective >>6km-long, >2.0km-wide, ENE- to NE-trending polymetallic Miocene-aged corridor (**Map 5**)

  The detailed mapping at the Placetas area confirmed the presence of coeval dioritic and dacitic lithologies, similar to the host rocks hosting the Chinchillones polymetallic deposit. At Chinchillones, the high sulfidation mineralization, polymetallic intermediate sulfidation veins, linear breccias and porphyry-related B-, A-, C-type veins are apparently controlled by NE-, EW-trending faults occurring in a NE-trending, 2.0km-long and 0.9km-wide elongated polymetallic zone. These controlling structures, considered as potentially fluid and magma pathways, are also present at the Placetas area.

- At Placetas Central, compelling drill-ready targets (**Map 6**)

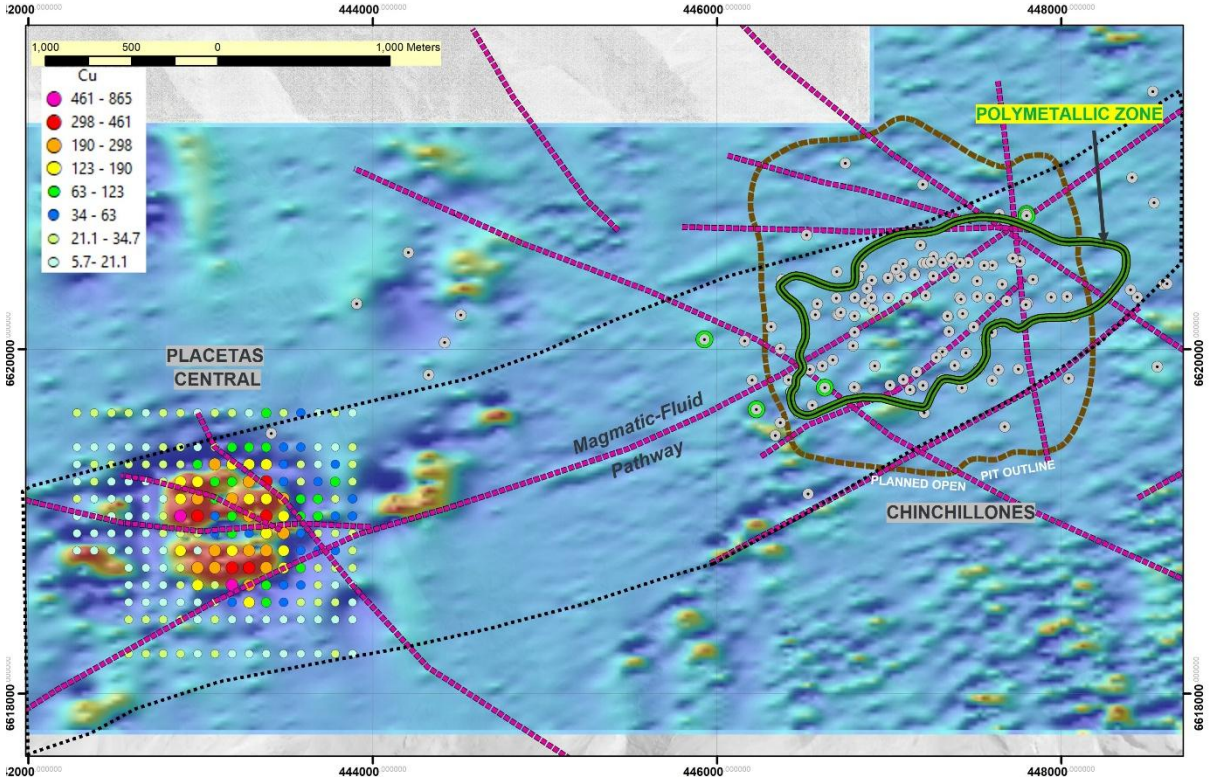
  The results from the grid soil survey (206 samples;100m interval grid) highlights coherent coincident, at least 1km-long, 0.5km-wide Cu-Mo-Au anomalies. Importantly these multi-element anomalies coincide with an ENE-trending faulted zone separating the dioritic rocks in the NW with the dacitic rocks in the SE. This setting is highly reminiscent to the controls at the Chinchillones polymetallic deposit

  There is a significant fault-controlled EW-trending magnetite-destructive elongated "doughnut" coincident with a mapped dioritic porphyry intrusion, emplaced amongst an older, bigger dioritic body. This mapped younger body is interpreted to represent a protruded dyke coming off a younger, productive intrusion at depth.

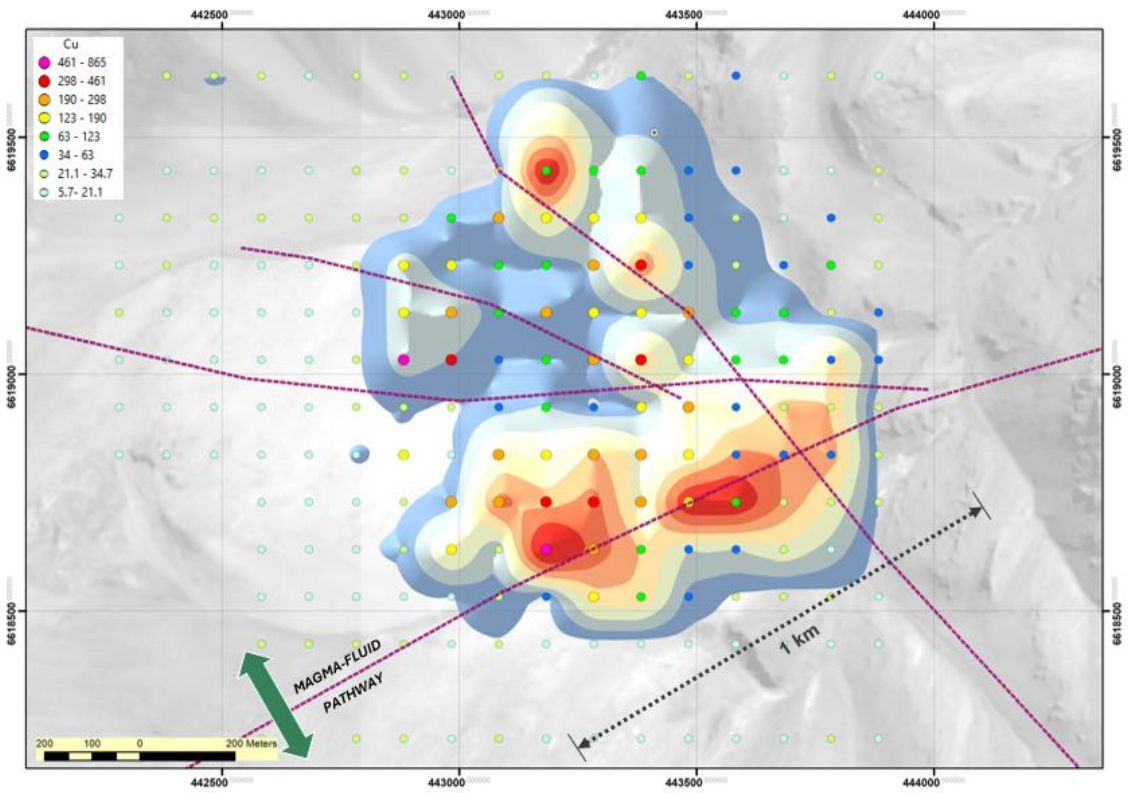
- At PSU Surrounds, valid targets to test continuity of Cu-Mo-Au mineralization and the presence of other intrusion centres (**Maps 7 and 8**)

  The compiled surface geochemistry, magnetic-depleted zones and mapping around the PSU area indicate the southern area to the PSU requires drill-testing. The under-tested southern continuation of the supergene-enriched PSU (Porphyry Chita Sur) Cu-Mo-Au deposit measures 1.7km x 1.4km which can host substantial deposit/s.

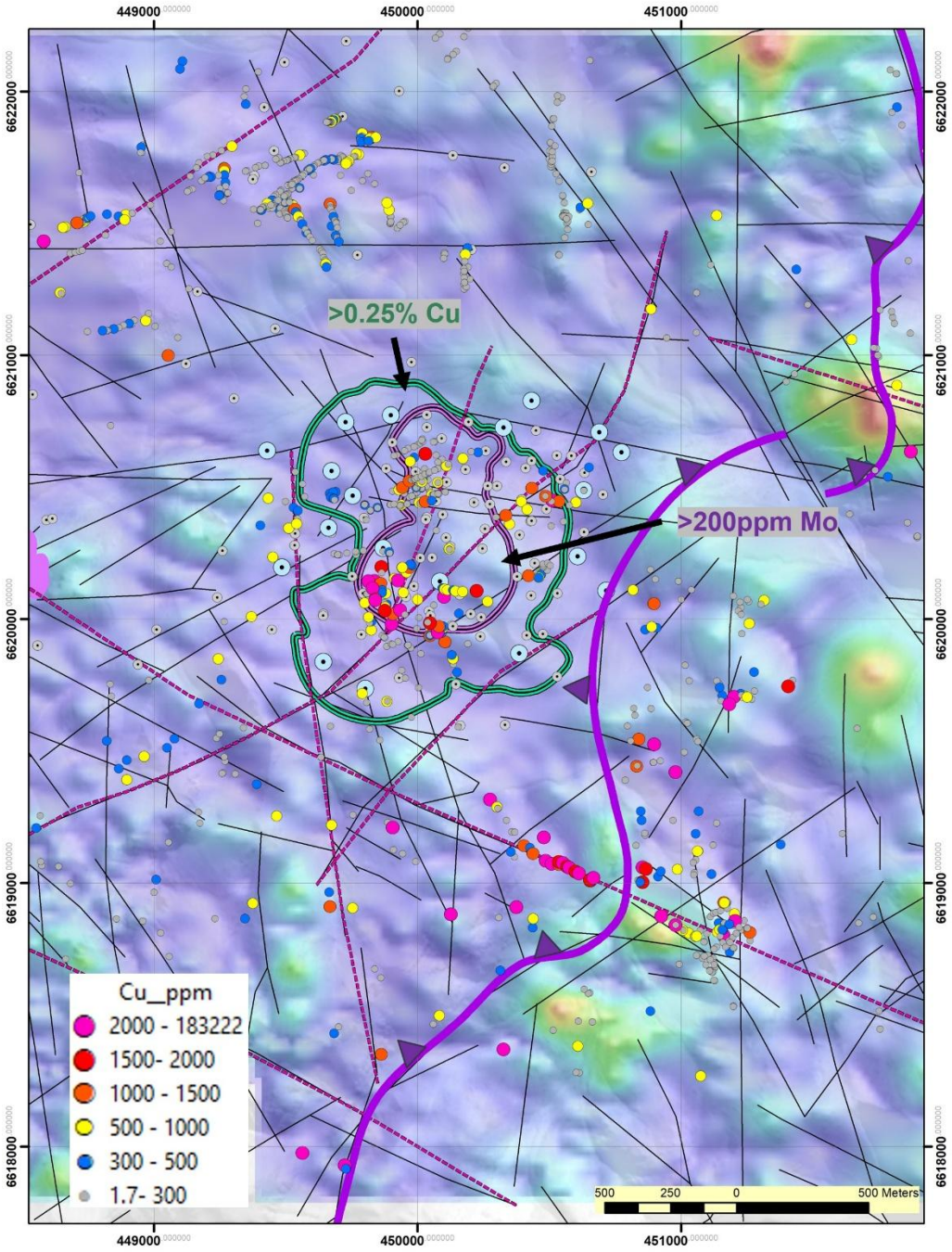
  The total iron mapped from Landsat 8 imageries demonstrates coherent available total iron over the PSU surrounds and extends farther south for more than one kilometre.



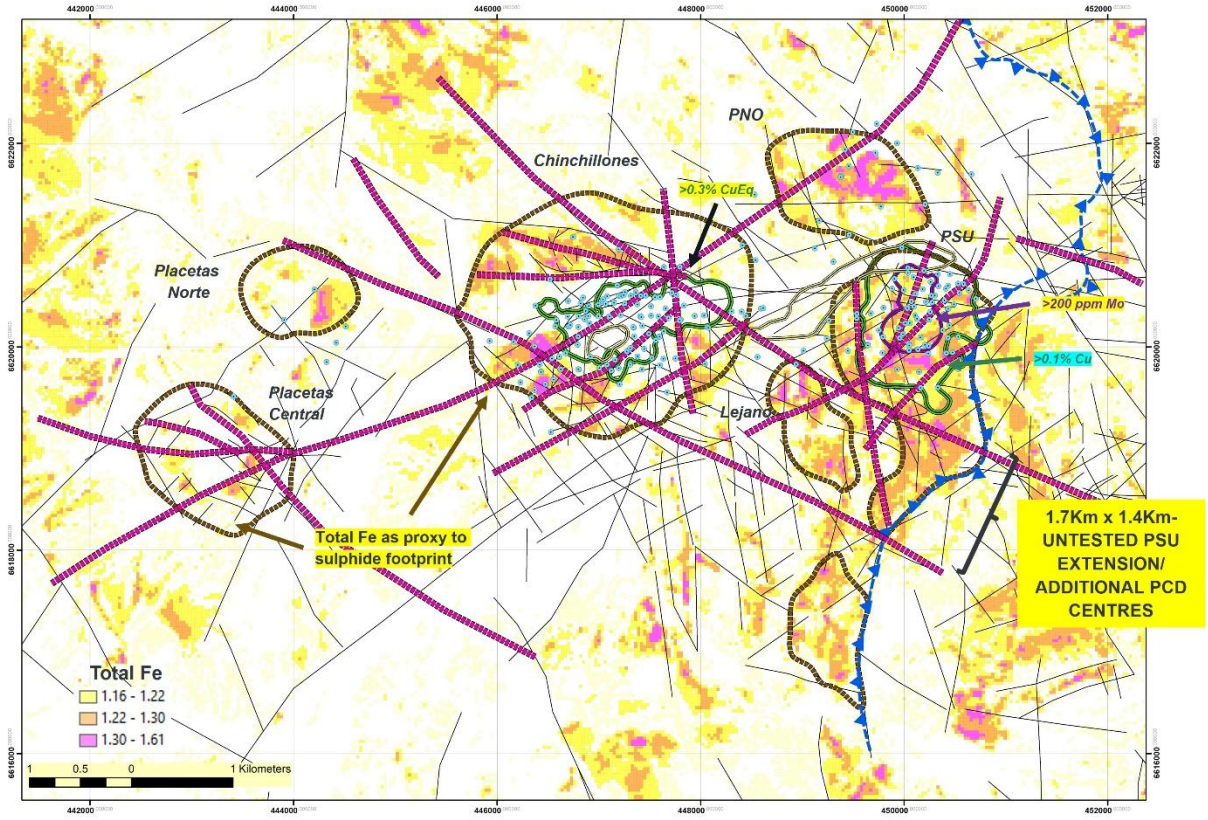
***Map 5**. Highly prospective Chinchillones-Placetas corridor with the polymetallic zone at the Chinchillones polymetallic deposit and the copper soil geochemistry over the Miocene-aged Placetas Central porphyry Cu-Mo-Au prospect. The TMIRTP image highlights a 650m-diameter Placetas intrusion complex and other adjacent, probable intrusion centers represented by magnetic highs. At Placetas Central, there is a significant fault-controlled EW-trending magnetite-destructive zone forming an elongated magnetics "doughnut."*



Map 6. *Placetas Central: Molybdenum-in-Soils image with superposed copper (ppm)-in-soils values. The 1 km-long, 0.5km-wide coherent Cu-Mo-Au anomalies coincide with an interpreted productive NE-trending magmatic-fluid pathway extending through the Chinchillones polymetallic deposit.*



Map 7. *PSU porphyry showing results of Cu-in-rocks surface geochemistry and magnetite-depleted zones from the magnetics images (Analytical Signal). Also shown is the extent of the supergene-enriched PSU deposit.*



Map 8. *The total iron mapped from Landsat 8 imageries band combinations outlines the various intrusion centres including Placetas Central, Chinchillones, PNO (Porphyry North), Lejano and PSU. Also highlights the under-tested Fe-rich area south of the PSU.*

Roadmap

The roadmap for late 2025 to June 2026 includes:

- Completion of the planned 5400m PSU expansion drilling
- A planned US$7.3 million budget from July 2025-June 2026 will include the following exploratory activities:
  - An MT survey over 13,5kms x 8.0kms area encompassing all the principal target areas
  - AI-supported target generation exercise
  - Seismic tomography survey
  - Testing of the compelling drill-worthy targets at Placetas Central and PSU south prospect areas
  - Expanded soil and rock geochemical survey, in conjunction with detailed mapping of the Chinchillones-Placetas corridor
  - Identification of targets based on the thorough integration of the results from geology-geochemical and geophysical surveys

Based on results at the Chita South (PSU) deposit in-fill and expansion drilling programme, a new Mineral Resource Estimate is planned for the Chita PSU deposit, incorporating updated metal prices and cost parameters.

SELECTED ANNUAL INFORMATION

The following selected financial data for the financial years ended December 31, 2022, 2023 and 2024 are derived from the audited Consolidated Financial Statements of the Company for the financial years ended December 31, 2022, 2023 and 2024. The amounts below reflect the consolidation of the accounts of the Company, MAI and MSA for the periods noted.

	As at and for the Year Ended December 31, 2024 ($)	As at and for the Year Ended December 31, 2023 ($)	As at and for the Year Ended December 31, 2022 ($)
Net income (loss) for the year	8,079,386	(9,903,629)	(3,614,812)
Comprehensive income (loss) for the year	15,705,807	(10,707,777)	(1,178,409)
Income (Loss) per share, basic	0.05	(0.06)	(0.02)
Income (Loss) per share, diluted	0.05	(0.06)	(0.02)
Non-current assets	21,489,011	27,767,183	27,513,327
Current Assets	786,353	3,940,507	3,582,698
Non-current liabilities	-	-	19,720,687
Current Liabilities	340,406	26,734,769	928,657
Working Capital	445,947	(22,794,262)	2,654,041
Share Capital	19,400,242	19,388,155	19,328,842
Shareholders' Equity	21,934,958	4,972,921	10,446,681

Prior to the loss of control of MSA, the Company capitalized the expenditures on its mineral properties and presented the aggregate amounts spent as an asset on the consolidated statement of financial position. Once control of MSA was lost, the Company derecognized these capitalized amounts. While MSA continues to incur expenditures on its properties, these amounts are no longer presented in the Company's consolidated statements.

Project expenditures from January 1, 2024 to April 5, 2024, when MSA was still a controlled subsidiary of the Company, are as follows:

Period from January 1, 2024 to April 5, 2024 (c)	**Chita ($)**	**Brechas Vacas ($)**	**Minas de Pinto ($)**	**Total ($)**
Acquisition costs **(a)**	NIL	NIL	NIL	NIL
Drilling	1,681,733	152,781	NIL	1,834,514
Road	47,088	51,100	4,451	102,639
Assays	66,540	10,226	NIL	76,766
Labour and Technical Fees	145,288	172,048	6,356	323,692
Vehicles and Equipment	26,028	26,028	NIL	52,056
Travel and Lodging	11,350	6,726	NIL	18,076
Project Management	123,202	63,503	26,639	213,344
Current Expenditures	**2,101,229**	**482,412**	**37,446**	**2,621,087**
Currency Translation Adjustment	(505,672)	(242,231)	(114,605)	(862,508)
Effects of Hyperinflation	8,115,810	4,010,589	1,942,226	14,068,625
Derecognized upon loss of control of MSA **(b)**	(25,505,781)	(12,004,595)	(5,692,440)	(43,202,816)
Balance –beginning of Period	**15,794,414**	**7,753,825**	**3,827,373**	**27,375,612**
Balance – end of Period	**NIL**	**NIL**	**NIL**	**NIL**

(a) *See Chita Valley Project section "Mining rights" discussed previously and note 7 to the Consolidated Financial Statements.*

(b) *Upon loss of control of MSA, the Company derecognized the carrying value of all capitalized mineral property expenditures.*

(c) *The amounts included above include expenditures made by the Company from January 1, 2024 to April 5, 2024, the date the Company ceased to control MSA. Upon loss of control, the Company derecognized the assets and liabilities of MSA and ceased consolidation of the accounts of MSA.*

OPERATING ACTIVITIES AND FINANCIAL PERFORMANCE

During the three and six month periods ended June 30, 2025, the Company incurred total expenses of $391,459 and $781,437 representing decreases of $451,287 and $1,428,706 when compared to expenses of $842,746 and $2,210,143 for the three and six month periods ended June 30, 2024.

Cash expenses incurred by the Company of $220,939 and $541,150 for the three and six months ended June 30, 2025, represent a decrease of $1,428 for the three month period and an increase of $64,629 for the six month period when compared to cash expenses of $222,367 and $476,521 for the three and six months ended June 30, 2024. The increase is a result of fluctuations in professional fees and general and administrative expenses.

Professional and regulatory fees include management salaries and fees paid for consulting fees, legal fees, CFO, as well as general accounting, audit and regulatory fees. The Company incurred professional and regulatory fees of $167,392 and $411,390 during the three and six months ended June 30, 2025. These expenses represent a decrease of $27,030 for the three month period ended June 30, 2025 and an increase of $22,624 for the six month period ended June 30, 2025 when compared with expenses of $194,422 and $388,766 incurred during

the three and six months ended June 30, 2024. The increase is mainly related to increased management, legal and consulting fees during the six months ended June 30, 2025. Since the loss of control and the assumption of management functions of MSA by South32, the Company has engaged other professionals and consultants to advise on different matters.

The Company incurred marketing and communications expenses of $nil and $1,578 during the three and six months ended June 30, 2025, representing decreases of $6,516 and $8,880, when compared to expenses of $6,516 and $10,458 incurred during the three and six months ended June 30, 2024.

The Company incurred general and administrative expenses of $47,297 and $115,682 during the three and six ended June 30, 2025, which represents increases of $32,118 and $57,135 when compared to expenses of $15,179 and $58,547 incurred during the three and six months ended June 30, 2024. The increase is a result of increased travel expenses incurred during the 2025 fiscal year as members of management and the Board attended various mining conferences.

The Company incurred taxes on ownership of MSA of $6,250 and $12,500 during the three and six months ended June 30, 2025, which represents a decrease of $6,250 when compared with the expenses of $18,750 incurred during the six months ended June 30, 2024. This tax represents 0.5% of the net assets held by a foreign company on an Argentinean subsidiary. Expense for the three month periods ended June 30, 2025 and 2024 were the same.

During the three and six month periods ended June 30, 2024, the Company recognized expense recoveries of $1,096,647 with respect to operator fees received from South32 in connection with the Earn-in Agreement. There were no such recoveries in the three and six months ended June 30, 2025.

The Company incurred the following non-cash expenses for the three and six months ended June 30, 2025, and 2024:

- Expenses related to share-based payments during three and six month periods ended June 30, 2025, were $170,520 and $240,287, decreases of $449,859 and $1,003,495 when compared to share-based payments of $620,379 and $1,243,782 for the three and six month periods ended June 30, 2024. During the six months ended June 30, 2025, the Company granted 600,000 stock options to certain directors. During the year ended December 31, 2024, the Company granted 650,000 stock options to certain directors. The fair value of these stock options will be expensed as share-based compensation expense over the vesting period of the stock options. The year-over-year decrease in share-based payment expense is related to the fair value of the stock options granted during fiscal 2024 and the continued vesting of the stock options granted during fiscal 2023. Fewer stock options were granted in fiscal 2025 and 2024 than in fiscal 2023 which has resulted in lower share-based compensation expense in fiscal 2025 compared to fiscal 2024.

- Upon loss of control of MSA, the Company derecognized the assets and liabilities of MSA, as well as the accumulated other comprehensive income related to its investment in MSA. At the same time, the Company started to account for its investment in MSA using the equity method of accounting for investments in associates which required the Company re recognize its investment in MSA at fair value. As a result of this loss of control and the related accounting, the Company recognized a gain on the loss of control of MSA of $8,577,404 during the three and six months ended June 30, 2024.

- During the three and six months ended June 30, 2025, the Company's share of MSA's losses amounted to $509,004 and $53,605, which has been included in the Company's net loss for the respective periods. During the three and six month periods ended June 30, 2024, the Company's share of the income of MSA was $1,824,766. The Company also recognized other comprehensive losses of $4,263,524 and $5,187,286 for the three and six month periods ended June 30, 2025, related to its share of MSA's currency translation adjustment. During the three and six month periods ended June 30, 2024, the Company recognized other comprehensive losses of $985,043 related to its share of MSA's currency translation adjustment.

- As a result of Argentina's hyper-inflationary economy and the accounting of it, the Company incurred losses of $489,840 during the six month period ended June 30, 2024, as a result of the application of inflation

factors to the net monetary assets (asset less liabilities) of MSA during the year. Argentina has been designated a hyper-inflationary economy since July 1, 2018.

- Finally, the significant currency translation adjustments of $1,850,379 contributed to comprehensive income of $10,154,742 during the six months ended June 30, 2024. The currency translation adjustments were due to fluctuations in the value of the Argentine Peso against the US Dollar as well as the fluctuation of the Canadian Dollar against the US Dollar. These currency adjustments were those of MSA and were consolidated with the accounts for the Company during the three months ended March 31, 2024. Upon loss of control of MSA, these amounts are no longer consolidated and the Company has recorded their proportionate share of MSA's other comprehensive income or loss related to these currency translation adjustments.

It should be noted that, historically, the Company's foreign currency translation in accordance with IFRS has had a negative impact on the Canadian Dollar values of the MSA net assets, and the Company has reported losses related to the foreign currency translation on its Condensed Interim Consolidated statement of comprehensive loss. This negative impact is the result of the habitual trend in Argentina to devalue its currency due to high internal inflation rates. According to the Central Bank of Argentina, the inflation rate for 2024 was 117.8% (inflation for 2023 was 211.40%). The currency translation adjustments discussed above primarily relate to amounts capitalized as mineral properties. The impact of the translation on the Company's liquid assets was minimal.

SELECTED QUARTERLY INFORMATION

The following table shows selected financial information related to the results of the Company´s most recent periods. The information contained in this table should be read in conjunction with the Company´s Financial Statements. The periods prior to and including the quarter ended March 31, 2024 include the consolidated accounts of the Company, MAI and MSA. Following the acquisition of a 50.1% ownership interest of MSA by South32 on April 5, 2024, the Company ceased consolidation of the accounts of MSA and has accounted for its investment in MSA using the equity method of accounting.

Fiscal Year	**2025**		**2024**				**2023**	
For the quarters ended	**Jun**	**Mar**	**Dec**	**Sep**	**Jun**	**Mar**	**Dec**	**Sep**
	$							
Net Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net income (loss) for the period	(900,463)	65,842	(403,264)	(806,756)	10,656,533	(1,367,127)	(3,616,021)	(2,190,791)
Comprehensive Income (Loss) for the period	(4,976,782)	(1,045,125)	7,413,479	(1,862,414)	9,671,490	483,252	(5,434,675)	(1,724,182)
Income (Loss) per share, basic	(0.01)	(0.00)	(0.01)	(0.00)	0.06	(0.00)	(0.03)	(0.01)
Income (Loss) per share, diluted	(0.01)	(0.00)	(0.00)	(0.01)	0.06	(0.00)	(0.03)	(0.01)
Income (Loss) per share from continuing operations, basic	(0.01)	(0.00)	(0.01)	(0.00)	0.06	(0.00)	(0.03)	(0.01)
Income (Loss) per share from continuing operations, diluted	(0.01)	(0.00)	(0.00)	(0.01)	0.06	(0.00)	(0.03)	(0.01)

Factors affecting quarterly results

Fluctuations in quarterly results are primarily caused by the continuation of the effects of hyperinflation during fiscal 2024 and 2025, and fluctuations of the Argentine Peso against the Canadian Dollar as usually calculated as Currency Translation Adjustment.

LIQUIDITY AND CAPITAL RESOURCES

The Company had working capital of $753,924 as at June 30, 2025, compared to working capital of $445,947 as at December 31, 2024. As at June 30, 2025, the Company held cash and cash equivalents of $921,630 versus $706,642 as at December 31, 2024. The Company's working capital increased over the six months June 30, 2025, as a result of receipt of $848,706 in subscription proceeds from a private placement of common shares during the period.

The Company currently does not have any externally imposed capital requirements other than its contracts entered into in the normal course of business.

As the Company does not currently generate cash flows from operations, it will once again become dependent on raising capital through the issuance of equity securities. While the Company has a supportive base on long-

term shareholders who have continued to fund the Company through subscriptions for shares and warrants, there is no certainty that the Company will be able to obtain the desired level of financing. The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectations of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This is turn may impact the Company's ability to raise equity financing for its long-term working capital requirements. In the absence of raising sufficient equity financing, the Company may have to pursue a strategic partner with respect to its 49.9% interest in MSA.

On June 6, 2025, the Company granted 600,000 incentive stock options to certain directors of the Company. The stock options are exercisable at price of $0.60 per share, all of which shall vest one-quarter on June 6, 2025, one-quarter on December 6, 2025, one-quarter on June 6, 2026, and one-quarter on December 6, 2026, and shall be exercisable for a period of five years from the date of issuance.

On June 5, 2024, the Company granted 650,000 incentive stock options to certain directors of the Company. The stock options are exercisable at price of $0.80 per share, all of which shall vest one-quarter on June 5, 2024, one-quarter on December 5, 2024, one-quarter on June 5, 2025, and one-quarter on December 5, 2025, and shall be exercisable for a period of five years from the date of issuance.

During the six months ended June 30, 2025, the Company received subscriptions for 1,146,900 common shares at a price of $0.74 per share for gross proceeds of $848,706 pursuant to a non-brokered private placement. On July 2, 2025, the Company closed the non-brokered private placement and issued 1,146,900 common shares. No commissions or finder's fees were paid in connection with the non-brokered private placement. The proceeds will be used to continue exploring the Chita Valley Project as well as working capital and corporate overhead requirements.

Subsequent to June 30, 2025, the Company issued 600,000 common shares pursuant to the cashless exercise of 715,385 stock options, and 200,000 common shares pursuant to the exercise of 200,000 stock options for proceeds of $20,000. In addition, 484,615 stock options expired unexercised.

On February 5, 2024, the Company issued 67,821 common shares to a former officer pursuant to the cashless exercise of 100,000 stock options.

On April 5, 2024, the Company issued 790,000 common shares in exchange for 542,600 shares of MSA pursuant to the Company's exercise of its right to call under the Put and Call Option Agreement described previously.

Share Capital

As at the date of this MD&A the Company´s share position consists of:

Shares outstanding	166,895,415
Options outstanding	12,626,000
TOTAL	**179,521,415**

Stock Options Outstanding

As at the date of this MD&A the following options are issued and outstanding:

Exercise Price	Options Vested	Options Unvested	Remaining Contractual Life (Years)	Expiry Date
$0.15	416,000	-	0.46	February 12, 2026
$0.30	2,810,000	-	1.45	February 11, 2027
$0.30	2,450,000	-	2.36	January 9, 2028
$0.375	50,000	-	2.66	April 27, 2028
$0.696	5,300,000	-	2.70	May 11, 2028
$0.872	200,000	-	2.93	August 4, 2028
$0.80	487,500	162,500	3.77	June 5, 2029
$0.60	150,000	450,000	4.77	June 6, 2030
$0.525	37,500	112,500	4.94	August 8, 2030
	11,901,000	**725,000**	**2.47**	

COMMITMENTS AND CONTINGENCIES

Services agreements with the Company's Vice-President (Exploration)

On July 10, 2024, the Company entered into a services agreement with a consultant for the position of Vice-President (Exploration) for a monthly fee of US$8,000 for a term of three months. Either party can terminate the agreement without consequence by giving 15 days advance notice to the other party. On October 1, 2024, this agreement was renewed for another three-month period ending December 31, 2024. On January 1, 2025, this agreement was renewed for another six-month period ending June 30, 2025. As of June 30, 2025, this agreement was not renewed.

On February 7, 2025, the Company entered into a services agreement with a consultant to act as an advisor for a monthly fee of US$5,000. On June 1, 2025, the Company and the advisor signed an addendum to the services agreement to reflect the appointment of the advisor to the position of Vice-President (Exploration) for a period of twelve months. Pursuant to the addendum, the monthly fee was increased to US$8,000 and the advisor is to be granted 150,000 stock options per year subject to approval by the Company's Board of Directors and in accordance with the Company's Stock Option Plan. Either party can terminate the agreement without consequence by giving 30 days advance notice to the other party.

Consulting services agreement

On November 17, 2023, the Company entered into a service agreement for various administrative and regulatory tasks with a consultant for a monthly fee of US$3,500. The service agreement has a term of twelve months but can be terminated by either party by giving the other party sixty (60) days written notice or by a mutual agreement between the parties.

On October 30, 2024, the Company entered into a services agreement with a consulting company for the provision of certain strategic and financial advisory services with a potential success or tail fee to be paid to the advisor in the event the Company enters into certain transactions during a specified period. The agreement also included a monthly retainer fee of US$6,000 for a term of six months that ended on March 31, 2025. As of March 31, 2025, this agreement was not renewed.

RELATED PARTY TRANSACTIONS

During the six months ended June 30, 2025 and 2024, the Company incurred the following related party transactions:

i) Transactions

a. Total salaries and fees of $63,376 (2024 - $82,146) was charged by Ramiro Massa, the former President and CEO, and a current director, of the Company.

b. A total of $22,800 of accounting and regulatory compliance fees (2024 - $22,000) and $12,000 of CFO fees (2024 - $12,000) were charged by Forbes Andersen Limited, a company in which Mike Johnston, the Company's CFO and Corporate Secretary, is an officer.

c. Professional fees of $nil (2024 - $32,483) were charged by a company controlled by Casey Lewis, the Company's former Vice-President (Exploration). Prior to the loss of control of MSA, these amounts have been capitalized to mineral properties. Following the loss of control, these amounts have been expensed as professional fees.

d. Mining Plus Peru SAC, a company previously providing the services of Vice-President (Exploration) to the Company, and a related company Mining Plus Canada Consulting Ltd., charged fees of $56,004 (2024 - $Nil) and other consulting fees of $25,663 (2024 - $Nil).
e. Professional fees of $10,914 (2024 - $nil) and other consulting fees of $28,187 (2024 - $nil) were charged by the Company's Vice-President (Exploration).

ii) Period-end Balances

a. As at June 30, 2025, accounts payable and accrued liabilities included $42,914 payable to Forbes Andersen Limited, a company in which Mike Johnston, the Company's CFO and Corporate Secretary, is an officer.

All related party transactions were in the normal course of operations. Amounts owing to related parties are non-interest bearing and have no repayment terms.

OFF-BALANCE SHEET TRANSACTIONS

The Company currently has not entered into any off-balance sheet arrangements.

BASIS OF PRESENTATION

The Company’s Financial Statements have been prepared in accordance with IFRS as issued by the IASB.

The Company has not yet established whether its mineral properties contain resources or reserves that are economically recoverable. The recovery of amounts capitalized as mineral properties is dependent upon the discovery of economically recoverable resources or reserves, the ability of the Company to arrange appropriate financing to complete the development of properties, and upon future profitable production, or alternatively, upon the Company’s ability to dispose of its interests on an advantageous basis, all of which are uncertain.

The Company’s ability to continue as a going concern is dependent upon, but not limited to, its ability to raise financing necessary to fund its exploration programs, maintain its mineral properties concession rights and exploration agreements with purchase options, discharge its liabilities as they become due and generate positive cash flows from operations.

The Financial Statements are prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of the business. Accordingly, the Financial Statements

do not give effect to adjustments that may be necessary, should the Company be unable to continue as a going concern. If the going concern assumption is not used, then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to the Financial Statements.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses. Critical accounting estimates used in the preparation of the Financial Statements are related to the recoverable value of the Company's mineral properties, as well as the value of stock-based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The Company records all of its property acquisition costs and direct exploration costs as an asset until the properties are placed into production, sold, or abandoned, at which time the costs will either be amortized on a units-of-production basis or fully charged to operations. Management reviews the carrying value of the mineral properties for impairment or permanent declines in the value of the property, such as abandonment, and the related project balances are then written off.

Estimates related to share-based payments include the volatility of the Company's stock price, as well as when stock options may be exercised. The timing of exercise of stock options is out of the Company's control and depends on various factors including the market value of the Company's shares and the financial objectives of the holders of stock options.

RISK FACTORS

There are many risk factors facing companies involved in the mineral exploration industry. Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all the risks inherent to the industry, the Company strives to manage these risks, to the greatest extent possible. The following risks are most applicable to the Company but may not be the only risks faced by the Company. Risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely affect the Company's business, projections, results of operations and/or conditions (financial or otherwise).

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, the Company's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond the Company's control. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. The Company attempts to balance this risk through ongoing risk assessments conducted by its technical team.

Mineral Resource Estimates

The Company's reported mineral resources (the "**Mineral Resources**") are estimations only. No assurance can be given that the estimated Mineral Resources will be recovered. By their nature, Mineral Resource estimations are imprecise and depend, to a certain extent, upon statistical inferences, which may ultimately prove unreliable because, among other factors, they are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Mineral Resource estimations may require revision (either up or down). There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. There can be no assurance that recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions. In particular, factors that may affect Mineral Resource estimates include:

- changes in interpretations of mineralization geometry and continuity of mineralization zones;
- input parameters used to constrain the block cave underground mining shapes that constrain the Mineral Resources;
- metallurgical and mining recoveries;
- operating and capital cost assumptions;
- metal price and exchange rate assumptions;
- confidence in modifying factors, including assumptions that surface rights to allow infrastructure to be constructed will be forthcoming;
- delays or other issues in reaching agreements with local or regulatory authorities and stakeholders;
- changes in land tenure requirements or permitting requirements from those discussed in the report; and
- changes in the environmental regulations or laws governing the property. Changes in key assumptions and parameters could result in a restatement of Mineral Resource estimates.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability and there is no assurance that they will ever be mined or processed profitably. Due to the uncertainty which may attach to Mineral Resources, there is no assurance that all or any part of measured or indicated Mineral Resources will ever be converted into Mineral Reserves. Any material reductions in estimates of Mineral Resources could have a material adverse effect on the Company's results of operations and financial condition.

Geopolitical Risk

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Company and may adversely affect its business.

Economic Instability in Argentina

The Company's investment is located in Argentina. There are risks relating to an uncertain or unpredictable economic environment in Argentina. In December 2019, the Argentinian government reinstated currency controls previously lifted, which, among other impacts, restricts the ability of companies and its citizens to obtain foreign currencies, in each case requiring Central Bank approval. The government has also reversed corporate tax rate reductions previously introduced by the previous opposition government.

Foreign Operations Risk

The Company's investee, MSA, conducts its exploration activities in Argentina. The Company's operations in Argentina expose the Company to risks that may not otherwise be experienced if all operations were located in Canada. The risks include, but are not limited to, illegal mining, changing political conditions, fluctuations in currency exchange rates, expropriation or nationalization without adequate compensation, changes to royalty and tax regimes, high rates of inflation, labour unrest and difficulty in understanding and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties, as well as the revocation or suspension of previously issued mining permits. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's existing assets and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities. Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. There can be no assurance that industries, which are deemed of national or strategic importance in countries in which the Company has assets, including mineral exploration, will not be nationalized. There is a risk that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company also may be hindered or prevented from enforcing its rights with respect to governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company. Non-compliance with applicable laws, regulations and permitting requirements (including allegations of such) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed or causing the withdrawal of permits or mining licenses, and the imposition of corrective measures requiring material capital expenditure or remedial action resulting in materially increased cost of compliance, reputational damage and potentially impaired ability to secure future approvals and permits. The Company may be required to compensate third parties for loss or damage and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet the obligations associated with its working capital. The Company has sufficient funds to settle its short-term working capital requirements. The Company's ability to manage liquidity risk in the future will be dependent on, but not limited to, its ability to raise financing necessary to fund its exploration programs, defend its mineral properties concession rights, discharge its liabilities as they become due and generate positive cash flows from operations.

Sources of Funds and Share Price Fluctuation Risks

The only sources of funds presently available to the Company are the sale of equity/debt capital or through a Partner Agreement. There is no assurance that such sources will continue to be available, in the short term or at all. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its proposed operations and the loss of some or all of the value of an investment in the securities. Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the

Company's ability to raise additional funds through equity issues and the corresponding effect on the Company's financial position.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Tax

The Company runs its business in different countries and strives to run its business in as tax-efficient a manner as possible. The tax systems in certain of these countries are complicated and subject to changes. For this reason, future negative effects on the result of the Company due to changes in tax regulations cannot be excluded. Repatriation of earnings to Canada from other countries may be subject to withholding taxes. The Company has no control over withholding tax rates.

Operating Hazards Risks

Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, weather conditions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in extraction operations and the conduct of exploration programs. The Company's exploration activities will be subject to the availability of third-party contractors and equipment. There are also physical risks to the exploration personnel. The Company maintains insurance for amounts which it considers adequate, however, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Pandemic Diseases

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases. These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's exploration operations to operate as intended due to shortage of skilled employees, shortages in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, the declines in the price of precious metals, capital market volatility, or other unknown but potentially significant impacts. Given the fact that the Company's properties are located in Argentina, there are potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infection disease outbreak. As such, both catastrophic outbreaks as well as regional and local outbreaks can have a significant impact on the Company's operations. The Company may not be able to accurately predict the quantum of such risks. In addition, the Company's own operations are exposed to the infectious disease risks noted above and as such the Company's operations may be adversely affected by such infectious disease risks. Accordingly, any outbreak or threat of an outbreak of a virus or other contagions or epidemic disease could have a material adverse effect on the Company, its business, results from operations and financial condition.

Current Global Financial Conditions

The economic viability of the Company's business plan is impacted by the Company's ability to obtain financing. The economic conditions and outlook of the jurisdictions in which the Company's projects reside, and more generally global economic conditions, may impact the general availability of financing through public and private debt and equity markets, as well as through other avenues. Significant political, market, economic, natural or manmade events may have wide-reaching effects and, to the extent they are not accurately anticipated or priced into markets, may result in sudden periods of market volatility and correction. Periods of market volatility and correction may have an adverse impact on economic growth and outlook, as well as lending and capital markets activity, all of which may impact the Company's ability to secure adequate financing on favorable terms, or at all. Most recently, global financial markets experienced a period of correction and increased volatility during the COVID-19 pandemic and the conflict between the Russian Federation and Ukraine, which began in March 2020 and February 2022, respectively, and are ongoing as of the date of this MD&A. As these global events evolve, there is no guarantee that credit market conditions will not worsen. A general risk adverse approach to investing, decreases in consumer spending and increases in the unemployment rate and consumer debt levels, which may become more predominant as a result of market turmoil, may limit the Company's ability to obtain future equity financing. Inability to obtain financing at all, or on acceptable terms, may have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Other events may also result in volatility and disruption to global supply chains, operations, mobility of people, patterns of consumption and service, and financial markets, and therefore potentially have a negative impact on the Company's ability to secure financing on favourable terms, or at all, its access to the project, or its ability to execute its business initiatives, including its field programs. Such events may include catastrophic events, either on a global scale or in the specific jurisdictions where the Company has its projects, and include, but are not limited to, financial crises, such as that which occurred globally in 2008, earthquakes, tsunamis, floods, typhoons, fires, power disruptions, other natural or manmade disasters, terrorist attacks, wars, riots, civil unrest or other conflicts, outbreaks of a public health crises, including epidemics, pandemics or outbreaks of new infectious diseases or viruses, as well as related and attendant events. Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Uncertainty or adverse changes relating to government regulation, economic and foreign policy matters, and other world events have the potential to adversely affect the performance of and outlook for the Canadian and global economies, which in turn may affect the ability of the Company to access financing on favourable terms or at all. The occurrence of negative sentiment or events in the Canadian and broader global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, as well as political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does not maintain insurance against political risks.

Commodity Price Risk

Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if

any, are expected to be in large part derived from the extraction of mineral products. As such, the effect of these factors on the price in future product sales, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit. Further, the prices of metals and minerals and future expectations of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies.

Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows from the Company's operations will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk with respect to cash balances and transactions as a portion of these amounts are denominated in US dollars and, formerly, Argentine Pesos. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's primary operations were located in Argentina until April 5, 2024. The Company raises funds in Canadian dollars and paid most of its Argentinean costs in United States Dollars or Argentinean Pesos, and was therefore subject to foreign exchange risk on this payment stream. As the proceeds from financings were often immediately converted to Argentinean Pesos, these cash reserves were subject to foreign exchange risk.

Environmental Risk

Exploration projects or operations are subject to the environmental laws and applicable regulations of the jurisdiction in which the Company operates. Environmental standards continue to evolve, and the current trend is moving toward a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. If appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability. However, there is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations, including the Company, may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Community Relations and Public Opposition to Mining Activities

While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, there is no guarantee that its efforts in this respect will mitigate this potential risk. Non-governmental Organizations or local community groups could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, despite the Company's successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have adverse effects on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the business, financial condition, results of operations, cash flows or prospects of the Company.

Permits and Licenses Risks

The operations of the Company will require licenses and permits from various governmental authorities. The Company believes it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain,

at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operating and activities of the Company and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition and the results of operations of the Company. Obtaining necessary permits, leases and licenses can be a complex, time-consuming process and the Company cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Company from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or fines, penalties or other liabilities. The Company could also lose its licenses or permits under the terms of its existing agreements.

Title Matters Risk

While the Company has followed and intends to follow standard industry accepted due diligence procedures with respect to title for any mineral claims in which it has or will acquire a material interest, there is no guarantee that title to such properties will not be challenged or impugned. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples. Surveys have not been carried out on the Company's mineral properties, and their boundaries and areas could be in doubt. The rules governing mining concessions in Argentina are complex and any failure by the Company to meet requirements would have a material adverse effect on the Company. Any defects in the title to the Company's properties could have a material and adverse effect on the Company. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license.

Option, Joint Venture and Earn In Agreements

The Company has and may continue to enter into option agreements, joint ventures, and/or earn in agreements (collectively "Partner Agreements") as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company. The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying properties. Under the terms of such Partner Agreements, in the event a partner decided to cease funding and terminate the Partner Agreement, the Company's business, financial results, and condition may be subject to the material adverse effects.

Competition and Marketability Risks

The resource industry is intensely competitive in all its phases, and the Company competes with many companies possessing greater financial resources and technical facilities than itself. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

Management Risk

The success of the Company's future business is largely dependent on a relatively small number of key members of management. The loss of any key member could be detrimental if a suitable replacement could not be found at a comparable compensation level.

No Assurance of Profitability

The Company has no history of earnings and due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities and possibly incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective shareholders. The Company has sought a joint venture partner to fund the exploration of the Rosita Project. Offering an interest in its Rosita Project to a partner would dilute the Company's interest in the project.

Risk of Legal Proceedings in the Ordinary Course of Business

Due to the nature of its business, the Company may be subject to regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The Company's operations are subject to the risk of legal claims by employees, unions, contractors, lenders, suppliers, joint venture partners, shareholders, governmental agencies or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. Defense and settlement costs can be substantial, even with respect to claims that have no merit. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. The litigation process could, as a result, take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. There can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

Capital Risk Management

The Company defines capital as total equity. The Company manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out the Company's defined exploration programs, meet its ongoing administrative costs, property maintenance and option payments. This is achieved by the Board's review and acceptance of exploration budgets that are achievable using existing resources and the matching and timely release of the next stage of expenditures with the resources made available from private placements or other fundraising. There can be no assurance that the Company will be able to continue using equity capital in this manner.

Credit Risk Management

Credit risk is the risk that one party to a financial instrument will fail to meet its obligations and cause a financial loss. The Company's main credit risk arises from its cash deposits with banks. The Company limits its counterparty risk on its deposits by dealing only with financial institutions with high credit ratings. The Company is also exposed to credit risk on its financial assets.

Compliance with Anti-Corruption Laws

The Company is subject to various anti-corruption laws and regulations such as the Canadian Corruption of Foreign Public Officials Act. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. 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 anti-corruption 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. The Company's investment is located in Argentina, which is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted. Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and/or its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

HYPERINFLATION

During the year ended December 31, 2024, the annual rate of inflation for Argentina, as reported by the Banco Central de la Republica Argentina, was 117.8% (2023 – 211.40%). Therefore, Argentina remains a hyper-inflationary economy. The functional currency of MSA is the Argentine Peso. The Company has prepared these Condensed Interim Consolidated financial statements on the historical cost approach within IAS 29.

IAS 29, Financial Reporting in Hyper-Inflationary Economies, ("IFRS 29") applies to the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy. The designation of an economy as hyperinflationary involves the assessment of several factors and requires the Company to make certain estimates and judgments, such as the assessment of historic inflation rates and anticipation of future trends. Changes in such estimates may significantly impact the carrying value of the Company's non-monetary assets or liabilities, and results of operations that are subject to hyperinflationary adjustments, and the related gains and losses with the Condensed Interim Consolidated statements of income (loss) and comprehensive income (loss).

To measure the impact of inflation on its Condensed Interim Consolidated financial position and results, the Company has elected to use the Wholesale Price Index (Indice de Precios Mayoristas or "IPIM") for periods up to December 31, 2016, and the Retail Price Index (Indice de Precios al Consumidor or "IPC") thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE").

As a result of the change in the IPC during the period ended March 31, 2024, the Company recognized a net expense of $489,840, to adjust transactions recorded during the year into a measuring unit current as of December 31, 2024. The level of the IPC at June 30, 2025 was 8,855.57 (December 31, 2024 – 7,964.01), which represents an increase of 15.1% over the IPC at December 31, 2024. While the Company no longer includes the related gain or loss as a separate line item on the consolidated statements of loss and comprehensive loss following the loss of control of MSA, the effects of the change in the IPC are reflected in the share of income or loss of MSA recognized each financial reporting period.

The application of hyperinflation accounting required restatement of the Argentine subsidiary's nonmonetary assets and liabilities, shareholders' equity, and comprehensive loss items from the transaction date when they were first recognized into the current purchasing power which reflects a price index current at the end of the reporting period before being included in the Financial Statements. The resulting financial information is more meaningful, relevant and representative of a measuring unit current as of the reporting date. To measure the impact of inflation on its financial position and results, the Company has elected to use price indices that have

been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE").

QUALIFIED PERSONS

The scientific and technical information in this MD&A has been compiled, reviewed and approved by Dr. Renato Bobis, MAusIMM CP (Geo), part-time VP-Exploration of the Company, and is a qualified person as defined by Canadian National Instrument 43-101. Dr Bobis has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Qualified Person.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud. There have not been any changes in the Company's disclosure controls and procedures and the internal control over financial reporting that occurred during the six months ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of controls and procedures:

The Company's management believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca