

SENDERO RESOURCES CORP.

(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE YEAR ENDED JULY 31, 2024

OVERVIEW AND INTRODUCTORY COMMENT

Sendero Resources Corp. (“Sendero” or the “Company”) is a growth-oriented junior exploration company and it completed its public listing on the TSX Venture Exchange (the “Exchange”) effective October 4, 2023 under the symbol “SEND” (see “Corporate update” section). The Company focuses on exploring for copper and gold deposits in Argentina.

Sendero’s principal property is the Peñas Negras Property in La Rioja Province, Argentina.

This MD&A is dated November 27, 2024 and discloses specified information up to that date. The following information should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended July 31, 2024 which have been prepared in accordance with IFRS Accounting Standards (“IFRS”). All dollar figures included in those financial statements and/or this MD&A are quoted in Canadian dollars unless otherwise specified.

Subsequent to July 31, 2024, the Company consolidated its common shares on the basis of one post-consolidation share for every ten pre-consolidation shares. The Company’s basic and diluted loss per share has been presented on a post-consolidation basis. Unless otherwise stated, all other share capital amounts are presented on a pre-consolidation basis.

FORWARD LOOKING STATEMENTS

Certain sections of this MD&A provide, or may appear to provide, forward-looking statements within the meaning of applicable Canadian securities laws with respect to the Company’s activities and its future results. Consequently, certain statements contained in this MD&A constitute expressed or implied forward-looking statements. Terms including, but not limited to, “anticipate”, “estimate”, “believe” and “expect” may identify forward-looking statements. Forward-looking statements, while they are based on the current knowledge and assumptions of the Company’s management, are subject to risks and uncertainties that could cause or contribute to the actual results being materially different than those expressed or implied. Readers are cautioned not to place undue reliance on any forward-looking statement that may be in this MD&A. All forward-looking statements in this MD&A are qualified by this cautionary note.

Forward looking statements that have been made in this MD&A include:

- Plans for exploration of the Company’s exploration and evaluation assets;
- Impairment of long-lived assets;
- The progress, potential and uncertainties of the Company’s exploration and evaluation assets in Argentina;
- References to future commodity prices;
- Budgets or estimates with respect to future activities;
- Estimates of how long the Company expects its working capital to last;
- Expectations regarding the ability to raise capital and to continue its exploration and development plans on its properties; and
- Management expectations of future activities and results.

The material factors or assumptions that the Company has identified and applied in drawing conclusions or making forecasts or projections set out in the forward-looking statements include, but are not limited to:

- No significant interruptions to our operations due to social or political unrest in the regions the Company's operates;
- No significant interruptions to the Company's exploration of the Penas Negras Project, including with respect to timely receipt of appropriate permits;
- The ability to execute on exploration plans;
- Anticipated metals prices and costs of production;
- The supply and demand for metals the Company produces;
- The supply and availability of all forms of energy and fuels at reasonable prices;
- No significant unanticipated operational or technical difficulties;
- The availability of additional financing;
- The timing and receipt of various regulatory and governmental approvals;
- The availability of personnel for exploration, development and operational projects and ongoing employee relations;
- Maintaining good relations with the communities in which the Company operates;
- No significant unanticipated events or changes relating to regulatory, environmental, health and safety matters;
- No contests over title to the Company's properties, including as a result of rights or claimed rights of Indigenous peoples or challenges to the validity of the Company's mining claims; and
- No significant and continuing adverse changes in the general economic conditions or conditions in the financial markets (including commodity prices and foreign exchanges rates).

The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, inherent risks within the mining industry, risks related to the Company's limited operating history, risks related to the Company's dependence on the Penas Negras Project, risks related to the Company's historical and anticipated negative cash flow, future litigation, risks related to the Company's dependence on key personnel, risks related to the availability of adequate infrastructure to explore the Penas Negras Project, risks related to any future acquisitions the Company may undertake, risks related to the volatility in gold and other commodity prices, risks related to foreign currency exchange rate fluctuations, risks associated with operating in a foreign country, such as Argentina, risks related to the competitive nature of the mining and exploration industry, risks related to the availability of financing to fund future operations of the Company, as well as the risks discussed under the heading "Risk Factors" in the Company's Listing Application and under the heading "Risks and Uncertainties" in this MD&A, each of which is available on the company's SEDAR+ profile at www.sedarplus.ca.

Should one or more risk, uncertainty, contingency or other factor materialize or should any factor or assumption prove incorrect, actual results could vary materially from those expressed or implied in the forward-looking statements. Accordingly, you should not place undue reliance on forward-looking statements. The Company does not assume any obligation to update or revise any forward-looking statement after the date of this MD&A or to explain any material difference between subsequent actual events and any forward-looking information, except as required by applicable law.

ADDITIONAL INFORMATION

Financial statements, MD&A's and additional information relevant to the Company and the Company's activities can be found on SEDAR+ at www.sedarplus.ca and/or on the Company's website at <https://senderoresources.com/>.

MAJOR QUARTERLY OPERATING MILESTONES

Corporate update:

On March 3, 2023, the Company entered into a binding letter of agreement (the “Agreement”) with 1319732 B.C. Ltd. (“131”). Pursuant to the Agreement, the Company and 131 would complete the reverse-takeover (“RTO”). Concurrently with the completion of the RTO, the resulting issuer would seek to list its common shares for trading on the Exchange. On September 27, 2023, the Company completed its RTO with 131 and began trading on the Exchange on October 4, 2023. As part of the RTO, the Company raised a total of \$5,855,950 by brokered financing and non-brokered financing and issued 29,279,750 units.

On March 4, 2024, the Company announced that it had entered into an arm’s length option agreement dated March 4, 2024, with Energía y Minerales - Sociedad del Estado (“EMSE”), the Energy and Minerals State Society of La Rioja, to significantly increase the Company’s land position in the Vicuña District (the “Option Agreement”). Pursuant to the terms of the Option Agreement, upon satisfying certain agreed to financial commitments, Sendero and EMSE would form a joint venture (the “Joint Venture”), which would be 80% owned by Sendero, to develop mineral concessions consisting of 9,177 hectares / 91.7 km² (Figure 1) (“Joint Venture Claims”) which are directly adjacent to the east of the Peñas Negras Project, a copper-gold project consisting of 12,000 hectares / 120 km² which the Company commenced drilling on in January 2024, with results disclosed in press releases dated April 3, May 1 and October 10, 2024.

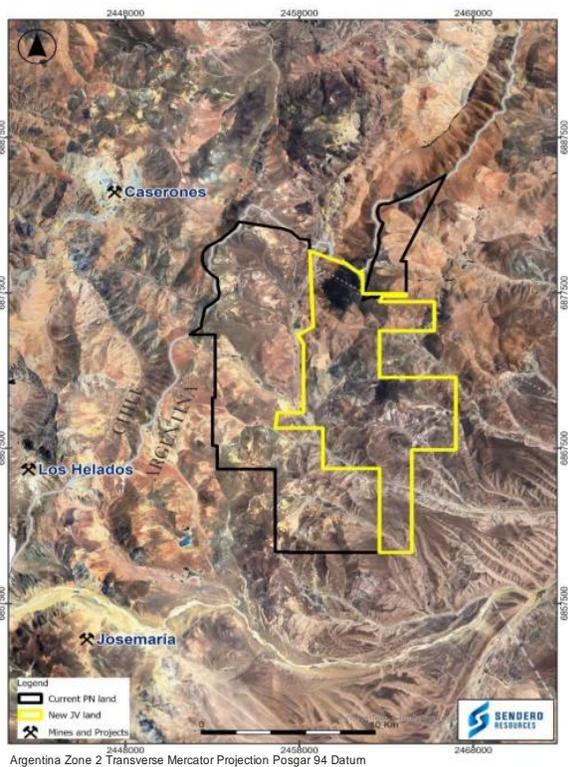


Figure 1. Increased Land Position in the Vicuña District

Pursuant to the terms of the Option Agreement, the formation of the Joint Venture is conditional on the following deliverables by Sendero:

- Sendero to make aggregate cash payments of US\$5,000,000 of which US\$1,000,000 is payable in 2024, US\$1,260,000 in 2025 and US\$1,370,000 in each of 2026 and 2027.
- Sendero shall have completed work expenditures of US\$10,000,000 within four years on the combined land package of Peñas Negras Project and Joint Venture Claims.
- EMSE shall be granted a 1% net smelter royalty (NSR) on the Peñas Negras Project.

Sendero will be provided with information on the geological information that EMSE has on the Joint Venture Claims, once it has completed a detailed review and outline initial work plans on the Joint Venture Claims.

On June 4, 2024, the Company appointed Raymond D. Harari as President of the Company, and announced the resignation of Jimmy Lim as Director of the Company.

Property update:

On December 12, 2023, the Company announced that it started mobilization for the January 2024 drill program where it would focus on three priority drill-ready porphyry copper-gold targets: La Peña, Tamberías and Cerro Verde South.

On January 10, 2024, the Company announced that drilling had commenced at the Peñas Negras Project.

Highlights

- Diamond drilling has commenced for an estimated initial program of 4,500m.
- Four priority drill-ready porphyry/epithermal copper-gold targets have been selected for initial drill testing: La Peña, Tamberías, La Ollita and Cerro Verde South.
- Drilling has commenced at La Peña with a two planned holes of approximately 500m each.
- A recent detailed ground magnetic survey at La Peña confirmed the large magnetic anomaly centered on the known porphyry and highlights a satellite magnetic anomaly to the north.
- Many of the key geological, geochemical, and geophysical features seen at other deposits in the Vicuña Belt, such as Filo del Sol and Josemaria deposits are replicated in Sendero's priority drill targets.

La Peña Target

The La Peña target has many features typical of Andean copper-gold porphyry deposits. Favorable features of the exposed diorite porphyry are: intense potassic alteration, stockwork magnetite-quartz veining, and the presence of copper sulfides and oxides.

The recently completed detailed ground magnetic survey has confirmed the same shape and size of the strong magnetic response seen in historical airborne magnetic data centered on the known porphyry intrusive. The discrete magnetic anomaly measures approximately 800m long and 500m wide, with coincident potassic alteration. Another magnetic anomaly located about 1000m to the north opens the possibility of a satellite porphyry system.

On February 27, 2024, the Company provided an update on its current drill campaign at the Peñas Negras Project. Three diamond drillholes have been completed for a total of 1,544m across three priority targets at La Peña, Tamberías and La Ollita.

Drilling Update

- Hole PND 001: 575m at La Peña:** Intersected an elongated diorite porphyry body with pervasive potassic alteration, characterized by quartz-biotite-magnetite-K-feldspar; with partial overprinting of quartz-sericite and chlorite. Porphyry-style stockwork veining was intersected including magnetite veinlets (M-type), A and B-type quartz, and anhydrite/gypsum veins. Hydrothermal and possible phreatomagmatic breccias cut the porphyry intrusive bodies. Widespread disseminated pyrite with traces of chalcopyrite and molybdenite were encountered throughout the hole. Towards the bottom of the hole, intrusion-type brecciation occurs at the contact between the intrusive porphyry and the granitic country rock.
- Hole PND 002: 519m at Tamberías:** intersected small multiphase dacite to diorite porphyry intrusive bodies with breccia phases that were emplaced into andesitic to dacitic volcanic country rock. The overall alteration is chlorite-illite-sericite overprinted on early potassic alteration (biotite-magnetite). Fine quartz-magnetite veinlets and stockwork veining of gray quartz are recognized throughout the entire hole, sometimes accompanied by sulfides. Abundant disseminated pyrite, with traces of chalcopyrite and molybdenite, are present throughout the hole.
- Hole PND 003: 450m at La Ollita:** Intersected an advanced argillic lithocap in the upper 150m of the hole associated with intensely silicified polymictic (phreatomagmatic) breccia. The alteration is typical of high-sulfidation epithermal gold-copper mineralization, characterized by quartz-kaolinite-alunite-pyrophyllite, with zones of vuggy silica. Disseminated and fracture-controlled pyrite is the dominant sulfide with minor chalcopyrite and chalcocite. Sulfide filled fracture zones contain chalcopyrite, chalcocite and traces of covellite and enargite together with pyrite, galena, sphalerite and possible Ag-As-Sb sulfosalts. These base metal veins are typical of late-stage intermediate sulphidation epithermal veins. Deeper in the hole, the lithology is predominantly volcanic (andesite and dacite), and alteration gradually shifts towards an assemblage of chlorite-illite-sericite-kaolinite with patchy silica and gray quartz stockwork veining with minor quartz-chalcopyrite veinlets. The lower part of the hole contains abundant disseminated pyrite, with traces of chalcopyrite and chalcocite.

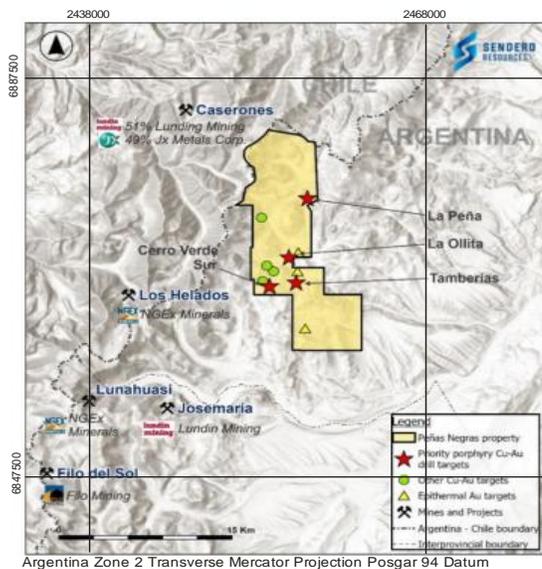


Figure 2. Peñas Negras Project and Exploration Targets

La Ollita - Geophysics

Ground magnetics and induced polarization (IP) surveys recently completed at La Ollita enhanced our technical understanding of this target. The ground magnetics has produced three discrete strong magnetic anomalies spread in an east to west orientation across the prospect for approximately 2km (Figure 3).

The pole-dipole IP lines show a large chargeability anomaly coinciding with the central ground magnetic high (Figure 3). This coincident positive magnetic and IP response together with results of ionic leach geochemistry is the focus of the current drilling at La Ollita.

La Ollita is a mineralized system where the company knows there is significant metal content from historic drill results. In the period 1995 – 1997 over 9,000m of mostly RC drilling was carried out by Eldorado who identified both a dacite and diorite porphyry below a shallower epithermal cap. The highest gold assay returned was 20.583 g/t Au (Hole PNR028 from 130m to 132m), and the highest copper assay returned a value of 0.6027% Cu (Hole PNR036 from 108m to 110m). The historical drilling was mainly shallow drilling with an average depth of only 127m and many holes stopped in Au-Cu mineralization.

The association of high-level breccia bodies in PND003 showing clasts of mineralized porphyry plus the clear evidence of classic vuggy residual silica and silica-clay (advanced argillic alteration) overlying porphyry style mineralization is strong evidence of telescoped alteration and mineralization zoning. Similar features are shared with the contemporaneous porphyry gold copper deposit of the Vicuña District, particularly Filo del Sol and Josemaria.

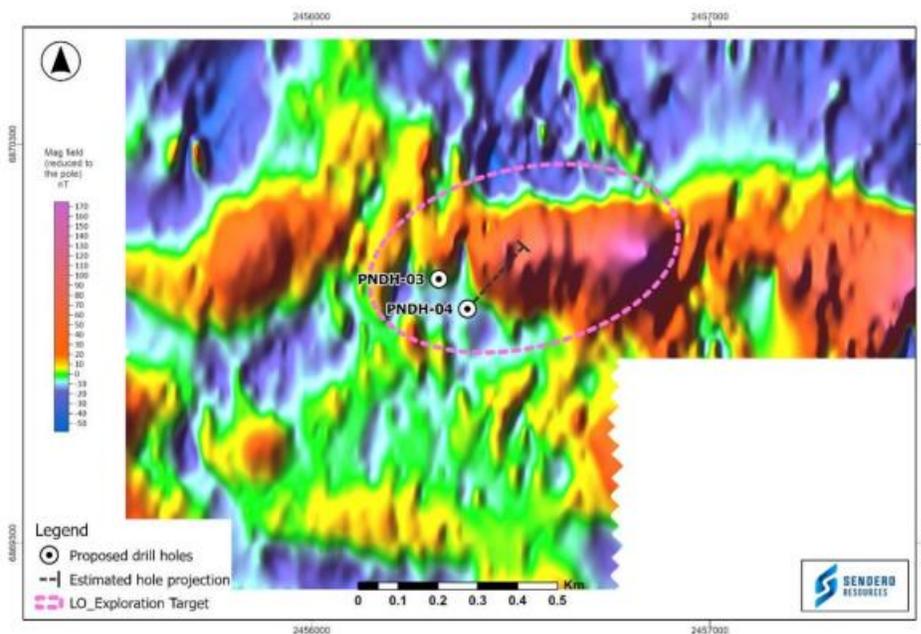


Figure 3. Ground Magnetics at La Ollita

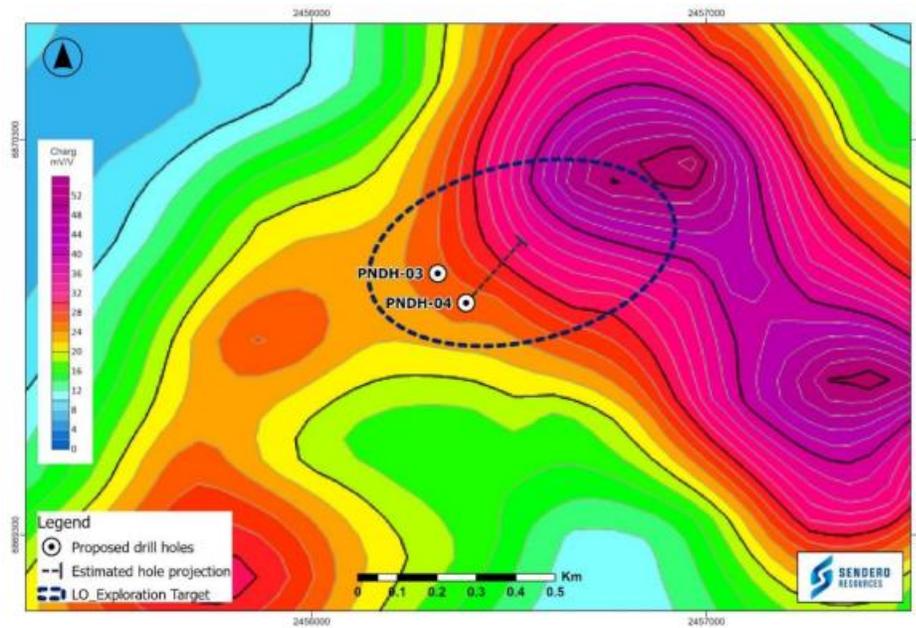


Figure 4. Induced Polarization at La Ollita

On April 3, 2024, the Company announced the results of the first three diamond drillholes from the ongoing maiden drilling program at its 100% owned Peñas Negras Project in the Vicuña District in La Rioja, Argentina.

Highlights

- PNDH003 (La Ollita) intersected 256m of 0.42 g/t Gold Equivalent “AuEq” from 84m.
 - including 70m of 0.53 g/t AuEq from 84m
 - including 20m of 0.61 g/t AuEq from 92m
 - including 94m of 0.46 g/t AuEq from 246m
 - including 8m of 0.87 g/t AuEq from 254m
- Ongoing drilling at La Ollita (holes PNDH004-PNDH006) is confirming the presence of a mineralized advanced argillic epithermal lithocap telescoped on a porphyry gold - copper system.

La Ollita PNDH003

After initial drilling at La Peña and Tamberías, attention was shifted to the La Ollita target where previous drilling in the 1990's by Eldorado Gold had intersected gold (Au) – copper (Cu) mineralisation at relatively shallow depths ($\leq 150\text{m}$). PNDH003, a vertical hole drilled to 450m depth, intersected an advanced argillic lithocap below 84m of moraine cover to a depth of 159m. Below this depth the hole intersected several phases of dacite porphyry, an early mineralized phase, and a late-mineralized phase, before ending in a post-mineral fault zone (Figure 2).

The upper part of the hole intersected a phreatomagmatic breccia with intense pervasive residual vuggy silica and clays with alunite and returned 70m of 0.53 g/t AuEq from 84m (Table 1 and Figure 2). In this advanced argillic style alteration were pyrite-enargite-chalcocite and black sulfide veins with metal values up to Au (1.1g/t), Ag (7.3g/t), Mo (200ppm) and Cu (0.3%). In addition, late intermediate sulfidation epithermal style Zn-Pb-Ag-Cu veins overprint the porphyry Au-Cu mineralization.

Below 159m the hole intersected high sulfidation mineralization and advanced argillic alteration overprinting porphyry-style sericite and potassic (K-feldspar-biotite) alteration with A-type quartz veinlets. The early porphyry phase returned 94m of 0.58 g/t AuEq from 246m (Table 1 and Figure 2). Note that Au-Cu grades dropped off considerably when entering extensive post-mineral faults below 340m, with the reduction in grade due to displacements by the faults rather than a reduction in Au-Cu grades of the system itself. Despite extension drilling into this post-mineral fault zone, we were unable to pass and stopped the hole on advice of the drill contractor.

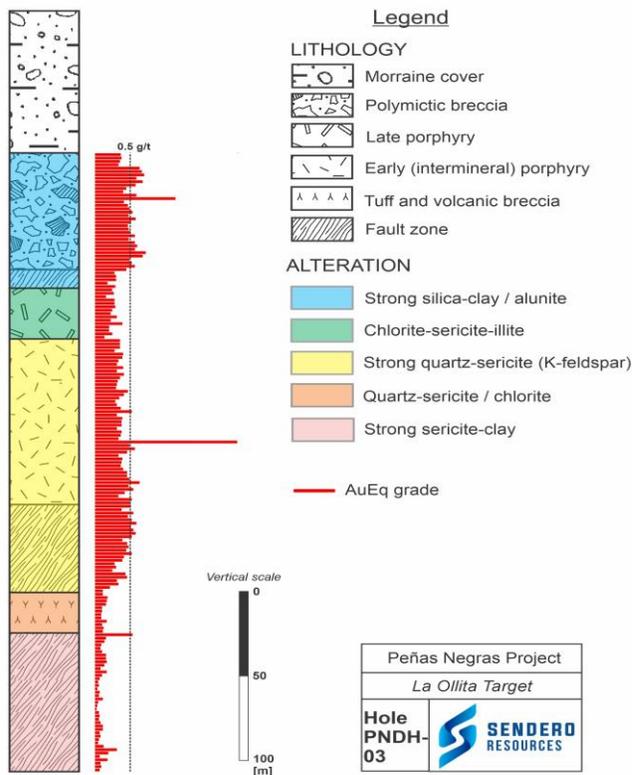


Figure 5. Strip Log of La Ollita PNDH-03

The Company's initial exploration drilling at La Ollita is focused within a triangle-shaped structural zone formed by the intersection of NE-NW-EW faults (Figure 3), which coincides with magnetic and IP chargeability anomalies. The Company's thesis is that this triangular zone represents a zone of weakness and provided a feeder for magmatic-hydrothermal fluids forming the advanced argillic lithocap measuring at least 600 x 600m. The Company believes the advanced argillic lithocap could be far more extensive than this and exploring extensions will be a focus for future drilling.

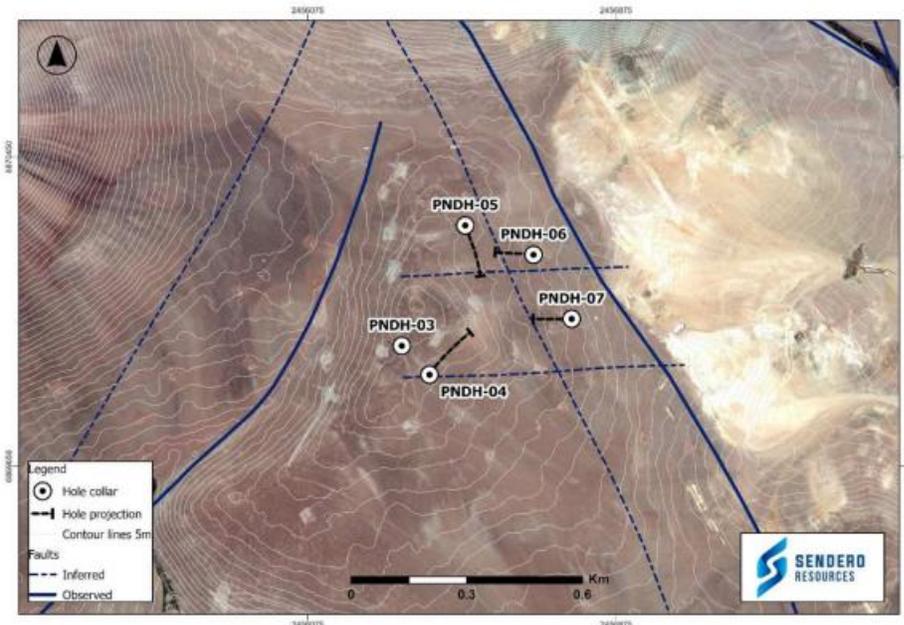


Figure 6. La Ollita Diamond Drill Hole Locations on Landsat satellite image

The results of PNDH003 and subsequent holes at La Ollita are demonstrating the existence of an extensive well preserved telescoped Au-Cu-Ag mineral system concealed beneath the moraine cover. This finding is comparable to other deposits in the Vicuña District like Filo del Sol which show alteration and mineralization telescoping on large systems of both high-sulfidation Cu-Au-Ag and porphyry Cu-Au. The mineralization in PNDH003 is richer in gold than copper with average grades of 0.294 g/t Au and 0.142% Cu across the 256m interval, with the highest metal grades of 1.11 g/t Au (110-112m), 1.35% Cu (254-256m), 9.4 g/t Ag (254-256m) and 200ppm of Mo (86-88m).

La Peña (PNDH001) and Tamberías (PNDH002)

Drilling started at the two targets, La Peña (PNDH001) and Tamberías (PNDH002), with the most compelling exposed geology, surface soil and rock geochemistry, and magnetic and IP signatures (Figure 1, Tables 2 & 3). In both PNDH001 & PNDH002, Au-Cu and late intermediate sulfidation epithermal style mineralization was encountered associated with quartz-diorite porphyry cut by various breccia facies including both magmatic-hydrothermal and late phreatomagmatic breccias. The early magmatic hydrothermal breccia is mainly polymictic containing clasts of country rock, including porphyritic and fragmental rhyolite, granite, microdiorite, andesite, and volcanoclastic rocks, as well as porphyry Cu clasts with A-style veins.

Assay results confirm low tenor but consistent Au-Cu-Mo grades and Ag at La Peña (see Tables 2 & 3). This is reminiscent of the periphery of Maricunga style gold-rich porphyry systems, and the Company is evaluating future drill hole locations to test different parts of these systems.

Additional Lithocap Targets - Ritzuko, Punta Negra and Vicuña

Following the positive findings at La Ollita, the Company has been conducting initial field investigations on other lithocap targets on the property known to host gold mineralization from historic geochemistry: two at Ritzuko and two on the new joint venture ground at Punta Negra and Vicuña. In all four locations there is a similar structural setting to La Ollita with the intersection of NE-NW faults and all four targets show visible advanced argillic alteration (alunite-pyrophyllite-dickite-kaolinite) on ASTER images.

LA OLLITA PNDH-03							
From	To	Interval	Au	Ag	Cu	Mo	Aueq
84	340	256	0.29	0.78	1422	47	0.42
<i>Including</i>							
84	154	70	0.37	1.12	1651	75	0.53
92	112	20	0.40	2.18	2017	79	0.61
142	154	12	0.39	1.32	1883	62	0.56
246	340	94	0.32	0.83	1675	36	0.46
254	262	8	0.44	2.58	4336	32	0.87
276	322	46	0.35	0.66	1600	36	0.48

LA PEÑA PNDH-01							
From	To	Interval	Au	Ag	Cu	Mo	Aueq
0	226	226	0.08	0.56	854	22	0.18
32	60	28	0.10	0.74	852	38	0.20
164	226	62	0.10	0.90	1147	18	0.22
164	194	30	0.11	0.89	1127	17	0.23
182	194	12	0.13	1.07	1380	14	0.28

TAMBERÍAS PNDH-02							
From	To	Interval	Au	Ag	Cu	Mo	Aueq
0	168	168	0.14	-	462	24	0.17
<i>Including</i>							
0	76	76	0.18	-	552	26	0.22
56	76	20	0.34	0.58	705	26	0.36
56	64	8	0.58	0.57	777	28	0.56
<i>Plus</i>							
400	519	119	0.13	-	333	27	0.15
<i>Including</i>							
408	418	10	0.21	-	424	27	0.23
506	519	13	0.18	-	352	29	0.20

Note: Gold Equivalent values (AuEq) are based on metal prices of \$2000/oz Au, \$4/lb Cu, \$25/oz Ag, \$20/lb Mo with 80% metallurgical recoveries assumed for all metals

On May 1, 2024, the Company announced the results of three more diamond drillholes at the La Ollita prospect. These latest results from holes PNDH004 to PNDH006 continue to demonstrate the significant potential of the project.

Highlights

- PNDH006 (La Ollita) intersected 364m of 0.41 g/t Gold Equivalent “AuEq” from a shallow depth of 34m to the bottom of the hole. The upper part of the hole intersected 114m of 0.67 g/t Gold Equivalent “AuEq” including 22m of 1.29 g/t AuEq.
- PNDH004 (La Ollita) intersected 266m of 0.42 g/t AuEq from 96m to post-mineral fault zone. The upper part of the hole intersected 166m of 0.51 g/t AuEq including 72m of 0.58 g/t AuEq and 20m of 0.66 g/t AuEq.
- La Ollita PNDH003-PNDH008 confirms the presence of a large, high-level mineralized advanced argillic epithermal lithocap telescoped on a porphyry gold–copper system.
- All five holes drilled at La Ollita (PNDH003-PNDH008) ended in intense faulting with strong silica-sericite clay alteration, at what is considered to be the base of the large mineralized lithocap, and have not tested the porphyry system below.
- PNDH007 and PNDH008 were designed to test the strong magnetic anomalies, and intersected significant magnetite, and in PNDH008 bornite replacement of chalcopyrite was identified
- The exploration focus going forward at La Ollita is finding the high-grade feeder zone/s below the lithocap into the porphyry system below.

PNDH006

Hole PNDH006, showed telescoping of alteration and mineralization, intersecting a complex of porphyries, and associated phreatomagmatic breccias hosted in volcanic host rocks. The hole ended in mineralization at a depth of 398m for a total intersection of 364m averaging 0.41 g/t AuEq (Figure 2 and Table 1).

The alteration in the upper part of the hole is prominently advanced argillic, characterized by quartz-alunite-sericite with incipient vuggy quartz, which hosted the highest-grade mineralization including 22m of 1.29 g/t AuEq, with individual metal values of up to 1.28 g/t Au, 115 g/t Ag, 0.42% Cu, 4.73% Zn, 1.18% Pb and 195 ppm Mo.

Lower in the hole strong potassic alteration (K feldspar-biotite-magnetite) is observed, particularly in early porphyry dykes with high density quartz veinlets, superimposed by intense sericite-quartz alteration. The late-stage porphyries, on the other hand, are chloritized with scarce to no quartz veining.

Primary mineralization consists of disseminated and quartz vein-hosted chalcopyrite, overlain by pyrite-chalcocite-black sulfides filling fractures and breccia matrix. Additionally, numerous intermediate sulfidation epithermal veins have been identified, composed of quartz and massive sulfides, predominantly galena and sphalerite together with elevated gold, silver and zinc values. The hole ended in a fault zone with strong silica-sericite clay alteration, the believed base of the lithocap.

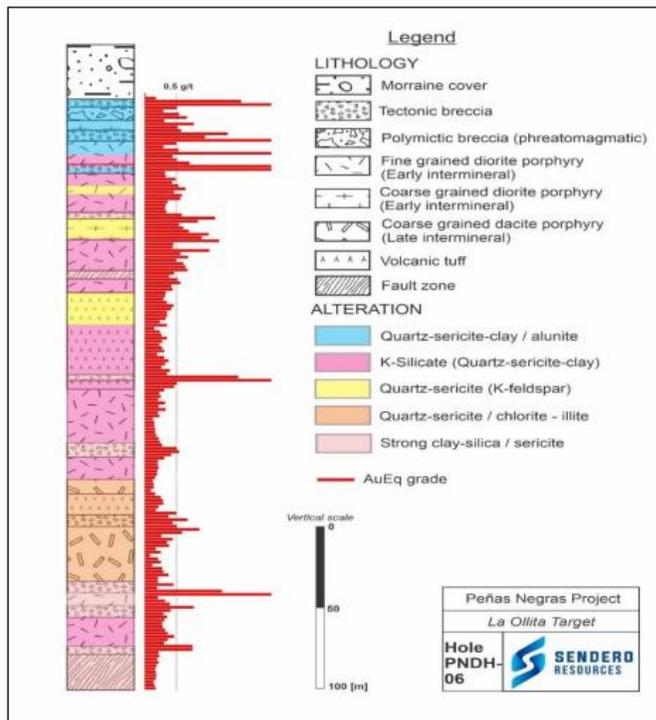


Figure 7. PNDH006 La Ollita - Strip Log

PNDH004

Hole PNDH004 exhibits similar characteristics to Hole PNDH006 with telescoping of the alteration and mineralization from beneath the moraine cover returning an intersection of 266m averaging 0.42 g/t AuEq. Mineralisation terminated when a large post-mineral fault zone was encountered with strong silica-sericite clay alteration at 362m (Figure 3).

The upper part of the hole intersected a series of porphyries exhibiting potassic alteration (K feldspar and biotite). An early intermineral porphyry with intense porphyry style quartz veining was recognized as well as a late-stage porphyry with minimal quartz veining. Associated phreatomagmatic breccias were also observed. There is an intense general overprinting by epithermal-style advanced argillic alteration, represented by the association of sericite-quartz-alunite-pyrophyllite in the upper part of the hole. This telescoped alteration hosts the highest-grade mineralization including an intercept of 166 m of 0.51 g/t AuEq (see Table 2). Individual metals values up to 0.55 g/t Au, 0.3% Cu and 193 ppm Mo are related to

epithermal overprint on early-stage porphyry mineralization, while individual values up to 1.51 g/t Au, 19 g/t Ag, 2.26% Zn and 1.04% Pb are related to late-stage intermediate sulphidation veins and epithermal-related mineralization (black sulfides) filling breccias.

Lower in the hole begins a transition to sericite-illite-clays overprinting the K silicate alteration, hosting Au-Ag-Cu-Mo mineralization with lower grades extending to 362 m where the hole entered a large post-mineral fault zone with strong silica-sericite clay alteration, the believed base of the lithocap (Figure 3).

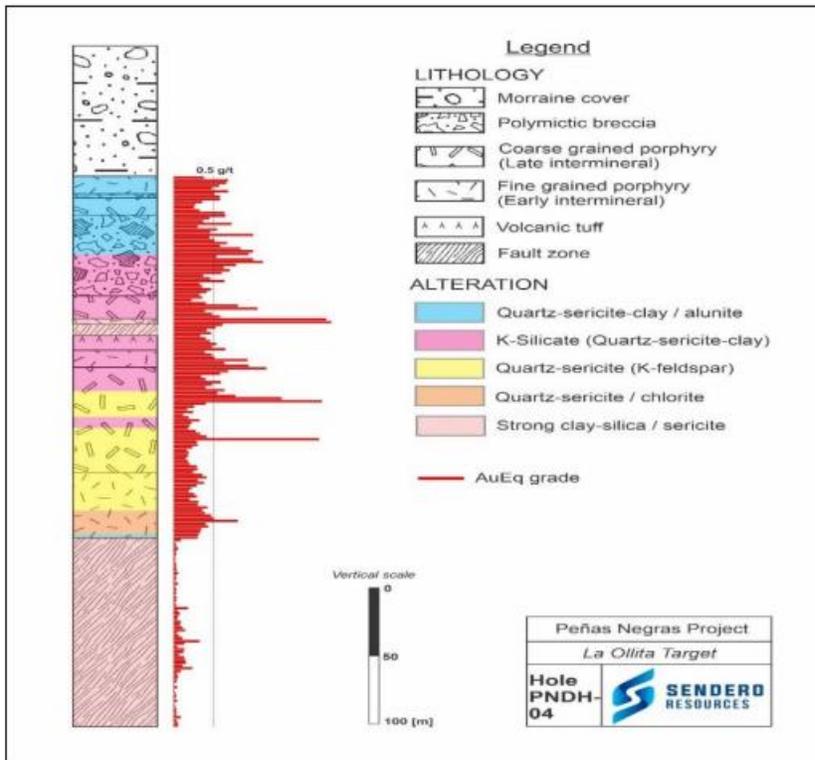


Figure 8. PNDH004 La Ollita Strip Log

PNDH005

Hole PNDH005, after penetrating the moraine cover, intersected mostly fine volcanic tuff of andesitic composition, with extensive evidence of tectonic activity manifested by wide intervals of tectonic breccias hosting Au-Ag-Zn-Pb mineralization.

The alteration observed is silica-clay to advanced argillic, characterized by the general association of quartz-sericite-alunite-clays, displaying a distinct spotty and wormy texture down to a depth of 193 meters. Minor remnants of K feldspar are suggestive of early potassic alteration. The mineralization is mostly late-stage, disseminated and within microfractures and breccias, consisting of pyrite + black sulfides containing Ag-Zn-Pb, with minor amounts of chalcopyrite.

PNDH005 was drilled in a more northern part of the target and Au-Cu-Ag grades did pick up as the hole moved further south with the highest grades present in zones of intense fracturing generating crackle breccias in the volcanic rocks, as well as zones of tectonic breccias (pre-mineral faults). These zones returned intersections of 24m grading 0.41 g/t AuEq, 3824m at 0.48 g/t AuEq and 12m at 0.62 g/t AuEq.

Subsequently, on October 10th 2024, the company reported the results of the final two drill holes from the maiden drilling program. Drill hole PNDH007 (La Ollita) intersected porphyritic diorite with pervasive quartz-sericite-chlorite alteration. Hole abandoned at 95 m in-hole depth due to intense fracturing which precluded continuation of drilling. No significant assay results.

Drill Hole PNDH008 was targeted on an isolated strongly magnetic body. Drilling collared directly in bedrock with no overburden, and intersected primarily andesite and diorite porphyry rocks with pervasive propylitic and phyllic alteration. Strong faulting and brecciation resulted in abandoning the hole at 88m in-hole depth.

Laboratory analysis of PNDH008 indicates geochemically anomalous Au and coincident Ag from surface to approximately 20m in-hole depth, which marks the base of the argillic alteration. Below the argillic alteration Cu is geochemically anomalous in the phyllic alteration.

LA OLLITA PNDH-06									
From	To	Interval	Au	Ag	Cu	Mo	Zn	Pb	Aueq
33.8	398	364.2	0.24	4.29	776	27	1632	623	0.41
<i>Including</i>									
33.8	170	136.2	0.34	8.69	1006	39	2458	1251	0.61
33.8	148	114.2	0.36	10.22	1051	43	2870	1484	0.67
56	96	40	0.34	15.44	1387	41	6754	1740	0.89
56	78	22	0.40	27.00	1664	39	11639	3114	1.29
192	212	20	0.26	7.60	597	30	5257	450	0.57
202	212	10	0.41	13.98	768	35	7664	767	0.87
288	302	14	0.25	3.04	727	28	2944	963	0.45
334	374	40	0.30	2.36	1278	16	944	402	0.46
336	346	10	0.58	4.25	1975	12	788	327	0.76

LA OLLITA PNDH-04									
From	To	Interval	Au	Ag	Cu	Mo	Zn	Pb	Aueq
96	362	266	0.22	2.23	1298	39	1308	467	0.42
96	262	166	0.25	3.23	1547	39	1944	692	0.51
<i>Including</i>									
122	174	52	0.30	1.74	1904	43	774	308	0.53
148	168	20	0.35	3.05	2183	57	1761	684	0.66
138	168	30	0.33	2.37	2148	48	1282	507	0.61
190	262	72	0.23	5.65	1379	36	3762	1331	0.58
226	262	36	0.19	6.96	1109	52	4916	1844	0.60

LA OLLITA PNDH-05									
From	To	Interval	Au	Ag	Cu	Mo	Zn	Pb	Aueq
122	422	300	0.18	1.49	713	34	705	174	0.29
<i>Including</i>									
122	154	32	0.29	0.27	358	29	127	30	0.29
122	140	18	0.37	0.25	460	42	108	28	0.37
236	298	62	0.21	1.52	840	45	930	246	0.34
244	268	24	0.28	1.38	1043	42	916	244	0.41
290	298	8	0.29	2.03	878	38	1144	271	0.42
332	374	42	0.23	1.36	1151	50	821	183	0.38
384	422	38	0.26	4.67	1325	23	1761	424	0.48
388	400	12	0.29	8.65	1307	16	3651	801	0.62

Note: Gold Equivalent values are based on metal prices of \$2000/oz Au, \$4/lb Cu, \$25/oz Ag, \$20/lb Mo, 1.30/lb Zn and 1/lb Pb with 80% metallurgical recoveries assumed for all metals

General Conclusions from the 2024 Drilling Campaign

The following general conclusions can be drawn from the results of the 2024 drilling campaign:

- The programme tested the La Peñas and Tamberias targets with single drill holes to validate the interpretation of surface geologic mapping, geophysical and geochemical surveys
- The main focus of the 2024 drilling was at the La Ollita target, where historical work has identified characteristic alteration, structure, and Au-Cu mineralization of Andean porphyry type deposits
- The geologic evolution of the areas studied is complex, with evidence of both porphyry and epithermal styles of mineralization
- The tenor of Au-Cu mineralization is comparable to similar type deposits in the region
- The overall objective of the drilling campaign is to support the detailed exploration model to guide future investigations
- The Ritzuko, Punta Negra, Vicuña and other targets remain untested

QUARTERLY FINANCIAL CONDITION

Capital Resources

In conjunction with the RTO, the Chief Financial Officer received 1,000,000 common shares and the Chief Executive Officer received 1,670,360 common shares. The Company also granted 5,300,000 stock options to its directors, officers and consultants at an exercise price of \$0.20 for a period of five years expiring on September 27, 2028.

During the year ended July 31, 2024, 125,000 options, 680,000 warrants and 190,980 finder's warrants were exercised at \$0.20, \$0.30 and \$0.20 respectively, resulting in gross proceeds of \$267,198.

On May 23, 2024, the Company announced the filing of a shelf prospectus supplement on a non-brokered offering consisting of up to 37,500,000 units at \$0.08 per unit for gross proceeds of up to \$3,000,000. Each unit will be comprised of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant will entitle the holder to acquire one common share at an exercise price of \$0.12 per warrant share for a period of 24 months from the date of issuance.

The Company also announced that it had filed and obtained a receipt for a final short form base shelf prospectus with the securities regulators in British Columbia and Alberta. This filing allows the Company to make offerings of common shares (including by way of an “at-the-market distribution” in accordance with applicable securities laws), preferred shares, debt securities, subscription receipts, warrants, units or any combination thereof for up to a maximum amount of \$25 million during the twenty-five-month period over which the base shelf prospectus is effective.

On June 4, 2024, the Company appointed Raymond D. Harari as President of the Company. In accordance with the terms of the Company’s 2023 Equity Incentive Plan (the “Plan”), the Company issued an aggregate of 3,500,000 restricted share units (the “RSUs”) to Mr. Harari and the Company’s non-executive directors. The RSUs issuable to Mr. Harari are subject to vesting conditions, whereby 60% will vest on the first anniversary of the grant and the balance in semi-annual installments over following year, and the RSUs issuable to the Company’s non-executive directors will fully vest on the first anniversary of the grant, subject in each case to the terms of the Plan.

On July 3, 2024 The Company also announces that effective on that date the Net Smelter Royalty Agreement dated March 15, 2023 between the Company and an executive officer of the Company in respect of a 1.5% net smelter royalty (the “NSR”) on the Peñas Negras Project (the “Property”) has been surrendered. Accordingly, the Property, which is 100% owned by the Company, is now free and clear of any NSRs.

Liquidity

As of July 31, 2024, the Company had a working capital deficiency of \$2,472,687 (2023 – \$2,568,271). With respect to working capital deficiency, \$209,425 (2023 - \$4,827,519) was held in cash and cash equivalents.

The decrease in cash was mainly due to (a) operating cash flows including exploration expenses totaling \$5,758,568 (b) \$979,711 used in VAT expenses, and (c) \$103,752 share issue costs while being offset by (d) \$267,197 net cash received from exercise of options, warrants and finder’s warrants.

As of July 31, 2024, the Company had accounts payable of 1,718,213 US Dollars (\$2,379,519) and 87,234,569 Argentina Pesos (\$129,266), out of a total of \$2,755,871. The majority of account payable was owing to a drill contractor for and a catering contractor. The Company is in discussions with both contractors to reach debt settlements.

Operations

For the three months ended July 31, 2024 compared with the three months ended July 31, 2023:

The Company’s exploration expenses amounted to \$1,236,002 (2023 - \$44,262), an increase of \$1,191,740 with the Company beginning its exploration on the Peñas Negras property during the current period.

Excluding the foreign exchange gain of \$591,735 (2023 – loss of \$863) and share-based compensation of \$314,578 (2023 - \$Nil), the Company’s administrative expenses amounted to \$174,670 (2023 - \$98,873), an increase of \$75,797. The changes in the administrative expenses is mostly due to: (a) accounting and audit fees of \$60,972 (2023 - \$22,908); (b) consulting fees of \$162,813 (2023 - \$4,137); and (c) legal fees of \$29,829 (2023 - \$11,492).

During the three months ended July 31, 2024, the Company reported a net loss of \$1,446,845 (2023 – \$143,890), an increase of \$1,302,955.

For the year ended July 31, 2024 compared with the year ended July 31, 2023:

The Company's exploration expenses amounted to \$5,758,568 (2023 - \$165,098), an increase of \$5,593,470 with the Company beginning its exploration on the Peñas Negras property during the current year.

Excluding the foreign exchange gain of \$620,294 (2023 – loss of \$2,165), share-based compensation of \$786,226 (2023 - \$Nil) and one-time RTO listing expense of \$1,200,000 (2023 - \$Nil), the Company's administrative expenses amounted to \$3,424,607 (2023 - \$344,602), an increase of \$3,080,005. The changes in the administrative expenses is mostly due to the share bonus paid to the management upon the completion of the RTO (2024 - \$534,071; 2023 - \$Nil) where the CEO received 1,670,355 common shares and the CFO received 1,000,000 common shares, valued at \$334,071 and \$200,000 respectively. In addition, starting in July 2023, the two officers were paid \$15,000 per month each and such amount was reflected in the management fee in 2023 and 2024. As of July 31, 2024, the Company wrote off \$15,000 management fees owed for April 2024 to the CEO and \$30,000 management fees owed for March and April 2024 to the CFO pursuant to two debt cancellation agreements. On June 4, 2024, the CEO agreed to waive the management fees during May, June, July and August 2024 and the CFOs management agreement was terminated.

With the Company becoming a publicly listed entity, the Company also incurred these additional expenses: (a) consulting fees of \$246,197 (2023 - \$16,520); (b) listing and filing fees of \$93,208 (2023 - \$6,282); (c) marketing expense of \$278,528 (2023 - \$64,852) and (d) travel expense of \$113,854 (2023 - \$Nil).

During the year ended July 31, 2024, the Company reported a net loss of \$8,907,363 (2023 – \$510,913), an increase of \$8,396,450.

Selected Annual Financial Information

	Year ended July 31, 2024	Year ended July 31, 2023	Year ended July 31, 2022
Total revenue	\$ -	\$ -	\$ -
Expenses	\$ 9,146,249	\$ 509,392	\$ 1,034,361
Loss for the year	\$ 8,907,363	\$ 510,913	\$ 1,079,342
Basic and diluted loss per share	\$ 1.41	\$ 0.17	\$ 0.05
Total assets	\$ 3,471,228	\$ 7,054,857	\$ 2,412,711
Total long-term financial liabilities	\$ -	\$ -	\$ -
Cash dividend declared – per share	N/A	N/A	N/A

Summary of Quarterly Results:

The following is a summary of the Company's financial results for the last eight quarters:

		Three months ended			
	October 31, 2023	January 31, 2024	April 30, 2024	July 31, 2024	
Total revenues	\$ -	\$ -	\$ -	\$ -	
Expenses	\$ 2,712,941	\$ 1,270,375	\$ 3,752,261	\$ 1,010,672	
Comprehensive loss	\$ 2,671,146	\$ 1,430,114	\$ 3,359,258	\$ 1,446,845	
Loss per share	\$ 0.38	\$ 0.20	\$ 0.48	\$ 0.13	

		Three months ended			
	October 31, 2022	January 31, 2023	April 30, 2023	July 31, 2023	
Total revenues	\$ -	\$ -	\$ -	\$ -	
Expenses	\$ 170,458	\$ 77,468	\$ 118,639	\$ 142,827	
Comprehensive loss	\$ 198,511	\$ 48,270	\$ 120,242	\$ 143,890	
Loss per share	\$ 0.03	\$ 0.01	\$ 0.01	\$ 0.02	

During the three months ended October 31, 2022, the Company's exploration work focused on analyzing the results of the earlier work done while incurring the administrative costs to support such activity.

During the three months ended January 31, 2023, the Company slowed down exploration work as well as administrative expense. However, starting in the three months ended April 30, 2023, the Company began more exploration work on the property given the summer season and it also began negotiating for the RTO, thus incurring more expenses in the three-month periods ending April 30, 2023 as well as July 31, 2023.

The increased loss for the three months ending October 31, 2023 was due mostly to the Company's non-cash listing expense of \$1,200,000 as well as the accrued cash bonus and share bonus paid as a result of completing the RTO. The Company also had non-cash share-based compensation of \$267,551 as a result of certain option grants.

The loss for the three months ended January 31, 2024 was mainly due to the exploration program at the Peñas Negras property, the non-cash share-based compensation of \$108,748, as well as the administrative expenses supporting the exploration.

The loss for the three months ended April 30, 2024 was mainly due to the exploration program at the Peñas Negras property, the non-cash share-based compensation of \$95,349, as well as the administrative expenses supporting the exploration, while being offset by the reversal of accrued cash bonus of \$150,000 due to the cancellation of debt with certain officers.

The loss for the three months ended July 31, 2024 was mainly due to the non-cash share-based compensation of \$314,578, as well as the administrative expenses supporting the exploration.

SIGNIFICANT RELATED PARTY TRANSACTIONS

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the year ended July 31, 2024:

	Cash payments	Shares issued	Share-based compensation	TOTAL
Hernan Vera ⁽¹⁾ Director and Chief Executive Officer	\$ 120,000	\$ 334,071	\$ 104,092	\$ 558,163
Michael Wood ⁽²⁾ Director and Chief Financial Officer	\$ 105,000	\$ 200,000	\$ 104,092	\$ 409,092
Raymond D. Harari ⁽³⁾ President	\$ 30,000	\$ 195,000	\$ 195,092	\$ 420,092
Other directors	\$ -	\$ 32,500	\$ 106,231	\$ 138,731

Related party transactions and balances:

Services for:	Years ended July 31		Amounts included in trade and other payables	
	2024	2023	As at July 31, 2024	As at July 31, 2023
Hernan Vera ⁽¹⁾⁽⁶⁾ Independence Fortaleza, Sociedad Limitada ⁽¹⁾	Management fee and bonus payment in shares \$ 334,071	\$ 361,192	\$ -	\$ 2,323
Michael Wood ⁽²⁾	Management fee 120,000	15,000	-	15,000
Athena Jade Limited ⁽²⁾	Bonus payment in shares 200,000	-	-	-
Triforce Ventures, S.A ⁽³⁾	Management fee 105,000	15,000	-	15,000
Marco Roque ⁽⁴⁾	Management fee and shares pursuant to RSUs 225,000	-	-	-
Zach Goldenberg ⁽⁴⁾	Shares pursuant to RSUs 16,250	-	-	-
Aerospace Industries Pty Ltd ⁽⁵⁾	Shares pursuant to RSUs 16,250	-	-	-
	Management fee -	75,000	-	-
Total	\$ 1,016,571	\$ 466,192	\$ -	\$ 32,232

⁽¹⁾ During the year ended July 31, 2023, Hernan Vera received 1,666,667 shares for the sale of a mineral claim in February 2023.

During the year ended July 31, 2024, Mr. Vera received 1,670,355 shares as a bonus and was entitled to receive a cash bonus of \$75,000 (cancelled) for completing the Transaction.

Starting in July 2023, Mr. Vera received a \$15,000 per month payment paid to his company, Independence Fortaleza, Sociedad Limitada. On April 29, 2023, Mr. Vera entered into an agreement with the Company to waive all of the outstanding compensation and bonuses up to April 30, 2024. As of July 31, 2024, the Company wrote off the \$75,000 cash bonus and the \$15,000 in management fees owed for April 2024. On June 4, 2024, Mr. Vera agreed to waive the management fees during May, June, July and August 2024. Subsequently, on August 15, 2024, Mr. Vera resigned from the Company as CEO and Director.

- (2) During the year ended July 31, 2024, Michael Wood received 1,000,000 shares as a bonus and was entitled to receive a cash bonus of \$75,000 (cancelled) for completing the Transaction.

Starting in July 2023, Mr. Wood received a \$15,000 per month payment paid to his company, Athena Jade Limited. On April 29, 2023, Mr. Wood entered into an agreement with the Company to waive all outstanding compensation and bonuses up to April 30, 2024. As of July 31, 2024, the Company wrote off the \$75,000 cash bonus and the \$30,000 management fees owed for March and April 2024. On June 4, 2024, Mr. Wood's management agreement was terminated.

- (3) On June 4, 2024, the Company appointed Raymond D. Harari as President of the Company. In accordance with the terms of the Company's 2023 Equity Incentive Plan, the Company issued an aggregate of 3,000,000 RSUs to Mr. Harari. Starting in June 2024, Mr Harari received a \$15,000 per month payment paid to his company, Triforce Ventures, S.A. On July 31, 2024, the RSUs were deemed to be vested and Mr. Harari received 3,000,000 common shares valued at \$195,000. Subsequently, on August 11, 2024, Mr. Harari resigned from being the President of the Company.
- (4) On June 4, 2024, the Company issued 250,000 RSUs to Mr. Roque and 250,000 RSUs to Mr. Goldenberg. On July 31, 2024, the RSUs were deemed to be vested and Mr. Roque and Mr. Goldenberg each received 250,000 common shares valued at \$16,250. Subsequently, in August 2024, Mr. Roque and Mr. Goldenberg resigned from being directors of the Company.
- (5) Matt Hudson's cash payments were paid to Aerospace Industries Pty Ltd., a private company owned by Mr. Hudson, during fiscal 2023. Mr. Hudson resigned from being the Chief Executive Officer effective December 31, 2022.
- (6) On July 3, 2024 The Company announced the Net Smelter Royalty Agreement dated March 1, 2023 between the Company and an executive officer of the Company in respect of a 1.5% net smelter royalty (the "NSR") on the Peñas Negras Project (the "**Property**") had been surrendered.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

Other than disclosed in this MD&A – Quarterly Highlights as well as the followings, the Company does not have any commitments, expected or unexpected, or uncertainties.

On February 23, 2023, the Company signed two executive management agreements (the "Agreements") with Hernan Vera (former Chief Executive Officer) and Michael Wood (Executive Chairman and Chief Financial Officer) where Mr. Vera and Mr. Wood will each receive \$75,000 cash bonuses upon the completion of the Transaction.

On June 4, 2024, 2023, the Company amended and restated the Agreements (the "Amended Agreements") where Mr. Vera and Mr. Wood agreed to completely waive all the outstanding compensation and wrote off the \$150,000 accrued cash bonuses.

RISK FACTORS

In our annual MD&A in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at July 31, 2024 and the date of this MD&A:

	Issued and outstanding	
	July 31, 2024	November 27, 2024
Common shares outstanding	69,904,442	6,990,438
Options	4,925,000	120,000
Warrants	13,959,875	1,395,988
Finder’s / broker’s warrants	1,405,683	140,568
Fully diluted common shares outstanding*	90,194,978	8,646,994

* Subsequent to July 31, 2024, the Company consolidated its common shares on the basis of one post-consolidation share for every ten pre-consolidation shares. The Company’s basic and diluted loss per share has been presented on a post-consolidation basis. Unless otherwise stated, all other share capital amounts are presented on a pre-consolidation basis.

QUALIFIED PERSON

Steven McMullan, P.Geo. supervised the preparation of and reviewed and approved the scientific and technical information pertaining to Peñas Negras Project. Mr McMullan is a qualified person as defined by National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.