

SONORAN DESERT COPPER CORPORATION
Management's Discussion & Analysis
For the Nine Months Ended September 30, 2023 and 2022

This management's discussion and analysis of Sonoran Desert Copper Corporation (the "Company") contains analysis of the Company's operational and financial results for the nine months ended September 30, 2023 and 2022. The following should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2023 and audited consolidated financial statements for the year ended December 31, 2022. All figures are in Canadian dollars unless otherwise stated.

DATE OF REPORT

November 27, 2023

JURISDICTION OF INCORPORATION AND CORPORATE NAME

Sonoran Desert Copper Corporation ("the Company" or "SDCU") was federally incorporated on February 22, 2007 and is a public company listed on the TSX Venture Exchange ("TSXV"). The corporate head office of the Company is located at Suite 2110 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4N9.

CORPORATE HIGHLIGHTS

Highlights of the Company's activities for nine months ended September 30, 2023, and up to the date of this report.

On November 14, 2023, the Company shares began trading on a post-consolidated basis. The Company consolidated on the basis of one post-consolidation common share for every four pre-consolidation common shares.

On October 23, 2023, the Company published the Technical Report (NI 43-101) for Cuatro Hermanos Cu-Mo-Ag Porphyry Deposit and Project: Suaqui Grande, Sonora, Mexico. The report can be on the Company's website and SEDAR-plus.

On October 20, 2023, TSXV approved the Exploration Right Assignment Agreement with Definitive Rights Assignment Option between the Company and Minerales Y Yacimientos Mexicanos Sacramento, S.A. de C.V. in regards the Cuatro Hermanos Project Acquisition.

On September 14, 2023, the Company completed a private placement for total gross proceeds of \$818,500 by issuing 4,092,500 units at a price of \$0.20 per unit. Each unit consists of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price \$0.40 per share for 36 months. The warrants are subject to the right of the Company to accelerate the exercise period of the warrant if shares of the Company trade at or above \$2.00 for a period of 10 consecutive trading days. The Company paid \$3,440 cash finder's fee and issued 17,200 broker warrants exercisable at \$0.40 for 36 months commencing the date of issuance.

On March 23, 2023, the Company has retained Hybrid Financial Ltd to provide marketing services to the company.

On March 22, 2023, the Company completed a private placement financing for gross proceeds of \$385,800, by issuing 1,929,000 units at \$0.20. Each unit consists of one common share of the Company and one common share purchase warrant, each warrant being exercisable at \$0.40 for 36 months. The Company made the cash payment of \$5,800 and issued 29,000 finder's warrants to two finders. On May 16, 2023, TSXV approved the financing.

Effective on March 21, 2023, the Company changed its name from Prime Meridian Resources Corp. to Sonoran Desert Copper Corporation and traded under the ticker "SDCU" on TSX Venture Exchange.

On March 2, 2023, the Company has elected not to proceed with acquisition of the La Verde Project.

On February 9, 2023, the Company executed the Purchase Option Agreement to purchase 100% interest on Cuatro Hermanos Project with Minerales Y Yacimientos Mexicanos Sacramento, S.A. DE C.V. (the "Vendor").

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OUTLOOK

The Company will need additional funding for its corporate and overhead expenses in near future through either equity or debt financing. Many factors influence the Company's ability to raise funds, including the health of the capital market and the Company's track record. There is no guarantee that the Company will be able to secure additional financings in the future at terms that are favorable. The Company will continue its policy of minimizing general and administration and exploration expenditures to conserve cash and protect assets.

PROJECTS

Cuatro Hermanos Porphyry Copper Project, Sonora, México

On January 16, 2023, the Company executed Purchase Option Agreement to purchase 100% interest in the Cuatro Hermanos Porphyry Copper Project in Sonora, Mexico. In order to exercise Purchase Option, the Company will make cash payments totalling USD5,862,500 and exploration work commitment of \$2,850,000 to Minerales Y Yacimientos Mexicanos Sacramento, S.A. DE C.V., for a 100% ownership of the Cuatro Hermanos Porphyry Project, over the 60-month term, payments schedule as below:

Date		Cash Payment		Work Commitment
Execution	USD\$	50,000	USD\$	-
12 Months	USD\$	150,000	USD\$	100,000
24 Months	USD\$	200,000	USD\$	250,000
36 Months	USD\$	200,000	USD\$	500,000
48 Months	USD\$	200,000	USD\$	1,000,000
60 Months	USD\$	5,062,000	USD\$	1,000,000
	USD\$	5,862,500	USD\$	2,850,000

On October 20, 2023, TSXV has approved Exploration Right Assignment Agreement with Definitive Rights Assignment Option between the Company and Minerales Y Yacimientos Mexicanos Sacramento, S.A. de C.V. in regards the Cuatro Hermanos Project Acquisition.

On October 23, 2023, the Company published the Technical Report (NI 43-101) for Cuatro Hermanos Cu-Mo-Ag Porphyry Deposit and Project: Suaqui Grande, Sonora, Mexico. The report can be found on the Company's website (www.sonorancopper.com) and SEDAR+.

Bruce and Camping Lake Gold Projects, Ontario

On September 23, 2019, the Company entered into an option agreement with 15444230 Ontario Inc., pursuant to which the Company has an option to acquire two sets of mineral claims covering 4,250 acres in the Bruce Lake area and 6,250 acres in the Camping Lake area, both in the Red Lake mining district in Ontario. In consideration, the Company issued 100,000 shares and paid \$25,500 in the first year. Additional payments totalling \$61,000 are due over the following three years. The acquisition is subject to a 1.5% net smelter royalty, of which 0.75% can be purchase by the Company for \$500,000. During the nine-month period ended September 30, 2023, the Company terminated the option agreement on the Bruce and Camping Lake Gold Projects and expensed the acquisition costs.

Bluffy Lake, Ontario

In September 2021, the Company acquired, through staking, an additional 2,920 hectares east of its Camping Lake Project in the Red Lake District of Ontario. During the nine-month period ended September 30, 2023, the Company did not renew the claims for Bluff Lake Project and has expensed acquisition costs.

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Dixie Lake, Ontario

On September 8, 2021, the Company entered into an agreement to acquire 100% interest in 282 mineral claims covering 5,830 hectares in the Dixie Lake area of Red Lake mining district of Ontario. In consideration, the Company paid 250,000 shares and paid \$15,000 to the vendor. During the nine-month period ended September 30, 2023, the Company did not renew the Dixie Lake claims.

Kelly Palladium Project, Ontario

On February 5, 2020, the Company entered into a purchase agreement to acquire 100% ownership interest in the Kelly palladium project. The project consists of 2,418 hectares and is located approximately 50 kilometres northeast of Sudbury, Ontario, Canada. The Company paid a \$30,000 cash payment to the vendor to complete the purchase, which is subject to a 1% net smelter return royalty in favour of the vendor. The Company has the exclusive right to buy the royalty from the vendor for \$500,000. During the nine-month period ended September 30, 2023, the Company did not renew the Kelly Palladium claims.

La Sarita Copper-silver Project, Sonora, Mexico

On November 26, 2022, the Company entered a Purchase Option Agreements to purchase 100% interest in the La Sarita Copper-silver Project in Sonora, Mexico. In order to exercise the 1st Purchase Option, the Company will make cash payments totalling USD230,000, exploration expenditures of \$2,225,000 and common shares payments totalling 831,250 common shares to Quirina Vasquez Vargas ("QVV"), the vendor for a 100% ownership of the La Sarita Project, over the 5-year term. The Company chose not to pursue the La Sarita Project.

El Chuin Copper Project, Sonora, Mexico

On November 26, 2022, the Company entered two Purchase Option Agreements to purchase 100% interest in the El Chuin Copper Project in Sonora, Mexico. In order to exercise the 1st Purchase Option, the Company will make cash payments totalling USD230,000, exploration expenditures of \$2,225,000 and common shares payments totalling 831,250 common shares to QVV, the vendor for a 100% ownership of the El Chuin and El Chuin concessions, over the a 5-year term. The Company chose not to pursue the El Chuin Project.

La Verde Project, Sonora, Mexico

On March 2, 2023, the Company decided not to proceed with acquisition of the La Verde Project.

QUALIFIED PERSON

All disclosure of scientific or technical information, including disclosure of a mineral resource or mineral reserve, concerning a mineral project on a property material to the issuer must be based upon information prepared by or under the supervision of a qualified person.

Mr. Cash Lewis, P. Geo., a consultant to the Company is the Qualified Person.

Results of Operations

Results of Operations for the Three Months Ended September 30, 2023 and 2022

The net loss for the three months ended September 30, 2023 was \$394,141 (2022 - \$526,851). Significant expenditures during the quarter were:

- Consulting \$85,500 (2022 - \$100,500)
- Exploration and evaluation expenditures \$67,569 (2022 - \$19,688);
- Marketing and advertising \$12,500 (2022 - \$Nil);
- Rent and administrative \$31,217 (2022 - \$31,140);

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- Professional fees \$55,140 (2022 - \$9,210)
- Transfer agent and filing fees recovery \$10,636 (2022 - \$3,947);
- Interest expense \$32,740 (2022 - \$23,893);
- Write-off E&E asset \$78,699 (2022 - \$Nil)
- Stock-based compensation \$Nil (2022 - \$273,000)

During the three months ended September 30, 2023, net loss decreased by \$132,710 compared to the same period in 2022. The reduction in net loss can be primarily attributed to the absence of any recorded stock-based compensation in the third quarter of 2023. The Company recorded \$273,000 stock-based compensation in the corresponding period in 2022. The reduction in the losses in 2023 was partially offset by an increase of \$47,881 in exploration and evaluation expenditure, and additional \$45,930 in professional fees. This increased expenditure is result of the Company's active due diligence activities related to Cuatro Hermanos Porphyry copper project in the current fiscal quarter of 2023.

Results of Operations for the Nine Months Ended September 30, 2023 and 2022

The net loss for the nine months ended September 30, 2023 was \$1,206,763 (2022 - \$1,186,702). Significant expenditures during the quarter were:

- Consulting \$256,500 (2022 - \$301,500)
- Exploration and evaluation expenditures \$372,914 (2022 - \$67,500);
- Marketing and advertising \$87,500 (2022 - \$175,000);
- Rent and administrative \$92,770 (2022 - \$95,216);
- Professional fees \$127,580 (2022 - \$46,766)
- Transfer agent and filing fees recovery \$895 (2022 - \$75,567);
- Interest expense \$81,624 (2022 - \$70,457);
- Write-off E&E asset \$214,530 (2022 - \$Nil)
- Stock-based compensation \$Nil (2022 - \$273,000)

During the nine months ended September 30, 2023, net loss increased by \$20,061 compared to the same period in 2022. The increase for the current period can primarily be attributed to the increased exploration and evaluation expenditures of \$305,414. The increase in expenses was partially offset by the reduction of \$273,000 in stock-based compensation for the current period compared to the expenses incurred in 2022. The Company wrote off the acquisition cost of \$214,530 for several projects in Canada during the first quarters of 2023.

Summary of quarterly reports

	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Expenses	\$ 314,942	\$ 200,830	\$ 500,961	\$ 566,606
Other (income) expenses	(500)	(500)	(500)	11,900
Net loss	(394,141)	(312,161)	(500,461)	(578,506)
Comprehensive income (loss)	(394,141)	(312,161)	(500,461)	(578,506)
Basic and diluted loss per share	(0.00)	(0.00)	(0.01)	(0.01)
Total current assets	641,087	52,075	64,036	112,741
Total assets	641,087	130,775	278,567	327,272
Total current liabilities	2,887,155	2,797,762	2,633,393	2,561,637
Total liabilities	2,887,155	2,797,762	2,633,393	2,561,637

	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Expenses	\$ 526,851	\$ 356,622	\$ 301,479	\$ 652,080
Other (income) expenses	-	2,250	(500)	(448,410)
Net (loss) income	(526,851)	(358,872)	(300,979)	(201,670)
Comprehensive loss	(526,851)	(358,872)	(300,979)	(110,666)

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Basic and diluted loss per share	(0.01)	(0.01)	(0.00)	(0.03)
Total current assets	222,521	23,318	229,922	427,754
Total assets	446,870	247,668	429,272	627,104
Total current liabilities	2,151,543	1,956,889	1,744,621	1,731,600
Total liabilities	2,289,329	2,156,674	2,002,407	2,049,386

LIQUIDITY AND CAPITAL RESOURCES

	September 30, 2023	December 31, 2022
Current assets	\$ 641,087	\$ 112,741
Current liabilities	2,887,155	2,561,637
Total liabilities	2,887,155	2,561,637
Shareholders' deficiency	2,246,068	2,234,365
Working capital deficiency	2,396,068	2,448,896

As at September 30, 2023, the Company had cash of \$195,201 (December 31, 2022 - \$23,241) and negative working capital of \$2,246,068 (December 31, 2022 - \$2,448,896).

The Company's capital requirements heavily upon the capital markets to finance its activities. There can be no assurance the Company will be able to obtain the required financing in the future on terms acceptable to the Company.

Share Capital

Authorized: unlimited common voting shares, without par value.

On March 23, 2023, the Company completed private placement for total gross proceeds of \$385,800 by issuing 1,929,000 units at a price of \$0.20 per unit. Each unit consists of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price \$0.40 per share for 36 months. The warrants are subject to the right of the Company to accelerate the exercise period of the warrant if shares of the Company trade at or above \$0.50 for a period of 10 consecutive trading days. The Company paid \$3,440 cash finder's fee and issued 17,200 broker warrants exercisable at \$0.40 for 36 months commencing the date of issuance .

On September 14, 2023, the Company completed private placement for total gross proceeds of \$818,500 by issuing 4,092,500 units at a price of \$0.20 per unit. Each unit consists of one common share of the Company and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price \$0.40 per share for 36 months. The warrants are subject to the right of the Company to accelerate the exercise period of the warrant if shares of the Company trade at or above \$2.00 for a period of 10 consecutive trading days. The Company paid \$3,440 cash finder's fee and issued 17,200 broker warrants exercisable at \$0.40 for 36 months commencing the date of issuance.

Stock options

For the nine months ended September 30, 2023, no stock options were granted.

As at September 30, 2023, the following stock options were outstanding and exercisable:

Expiry Date	Exercise Price (\$)	Number of options	Remaining Years
January 29, 2026	0.40	950,000	2.33
July 21, 2027	0.60	1,625,000	3.81
November 9, 2027	0.40	562,500	4.11
		3,137,500	3.42

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Warrants

For the nine months ended September 30, 2023, 6,021,500 warrants were issued as part of private placements.

As at September 30, 2023, the following warrants were outstanding:

Expiry Date	Exercise Price (\$)	Number of Warrants	Remaining Year
September 7, 2025	0.40	1,700,000	1.94
March 22, 2026	0.40	1,929,000	2.48
September 14, 2026	0.40	4,092,500	2.96
		7,721,500	2.61

Broker warrants

For the nine months ended September 30, 2023, 184,800 broker warrants were issued as part of private placements.

As at September 30, 2023, the following broker warrants were outstanding:

Expiry Date	Exercise Price (\$)	Number of Warrants	Remaining Year
September 7, 2025	0.40	108,000	1.94
March 22, 2026	0.40	29,000	2.48
September 14, 2026	0.40	17,200	2.96
		154,200	2.15

As at the date of the MD&A, there are:

- 25,784,766 common shares issued and outstanding
- 3,137,500 incentive stock options outstanding and exercisable;
- 7,721,500 share purchase warrants outstanding
- 154,200 broker warrants outstanding

If all of the stock options, warrants, and broker warrants were exercised the Company would have 36,797,966 common shares issued and outstanding.

COMMITMENTS

Significant commitments of the Company are as follows:

- \$20,000 per month payment due to Domus Management;
- \$1,158,805 in loans and interest payable; and
- Work commitments under Exploration and Evaluation Assets.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have material off-balance sheet arrangements.

RELATED PARTIES AND KEY MANAGEMENT COMPENSATION

Key management compensation

The Company entered into transactions, including compensation of key management, with the following related parties:

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Name	Relationship	Nature of Transaction	Fees incurred nine months ended September 30, 2023	Fees incurred nine months ended September 30, 2022	Balance payable September 30, 2023	Balance payable at December 31, 2022
Nexvu Inc.	Services Owned by Nexvu Capital, of which Brian Leeners is a shareholder	Rent and corporate services	\$ 90,000	\$ 90,000	\$ 287,870	\$ 193,370
Brian Leeners	Chief executive officer and director	Management services	90,000	90,000	132,160	117,250
Global Capital	Link Greg Pearson, director of the Company, is a shareholder	Management services	90,000	90,000	132,160	117,250
Gordorn Fretwell, Corporation	J. Law Gordon Fretwell is a shareholder of Nexvu Capital Corporation	Legal services	9,000	37,775	164,366	165,616
Blue Summit Venture	Tyler Thorburn is shareholder of Blue Summit Venture	Management Marketing	30,000 87,500	90,000 175,000	113,000 -	79,100 -
AE Management Ltd.	Financial Edward Low, chief financial officer, is a shareholder	Accounting services	31,500	31,500	117,150	89,150
			428,000	604,275	946,886	761,736

Balances owing are included in accounts payable and accrued liabilities, due on demand, unsecured, non-interest bearing and have no specified terms of repayment.

On March 22, 2023, the Company closed the 1st tranche of private placement financing for gross proceeds of \$385,800, by issuing 1,929,000 units at \$0.20. A company owned by a director subscribed for 300,000 units.

On September 14, 2023, the Company closed the private placement financing for gross proceeds of \$818,500, by issuing 4,092,500 units at \$0.20. A company owned by a director subscribed for 300,000 units.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Information about critical judgments and estimates in applying accounting policies that have most significant effect on the amounts recognized in the consolidated financial statements are as follows:

- Going concern;
- Asset carrying values and impairment charges;
- Recoverability of advances receivable;
- Income taxes and recoverability of potential deferred tax assets;

NEW ACCOUNTING STANDARDS

For information on the Company's accounting policies and new accounting pronouncements, please refer to our disclosure in our audited Consolidated Financial Statements for the year ended December 31, 2022.

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CAPITAL MANAGEMENT AND FINANCIAL RISK FACTORS

The Company's objectives when managing capital are to:

- Ensure there are adequate capital resources to manage the Company's ability to continue as a going concern;
- Maintain adequate levels of funding to sustain the required current investments and any new capital investments;
- Maintain investor, creditor and market confidence to sustain future development of the business; and
- Provide returns to shareholders and benefits for other stakeholders.

The Company classifies its share capital and contributed surplus as capital, which at September 30, 2023 totalled \$15,400,261 (December 31, 2022 - \$14,205,201). The Board of Directors does not establish qualitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company will continue to assess new investments and seek to acquire an interest in investments if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is appropriate. There were no changes in the Company's approach to capital management during the year. The Company is not subject to any externally imposed capital requirements.

Details of the Company's financial instruments, management's assessment of their related risks and details of management of those risks are as follows:

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash, marketable securities, GST/HST receivable, reclamation bond, accounts payable and accrued liabilities, and payable to related parties.

The Company maintains cash deposits with financial institutions, which, from time to time, may exceed federally insured limits. The Company has not experienced any losses and believes it is not exposed to any significant credit risk from cash.

Financial instrument risk exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes. The Company does not have any asset backed commercial paper.

(i) Interest rate risk

Interest rate risk consists of the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and cash equivalents consists primarily of cash held in bank accounts and loans payable are based on fixed interest rates. Therefore, fluctuation in market rates do not have a significant impact on estimated fair values as at September 30, 2023.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received, and balances maintained by the Company are denominated in US dollars. The Company had net monetary liabilities totaling \$928,461 in US dollars at September 30, 2023. The Company's foreign currency risk is assessed as high.

(iii) Credit risk

Credit risk is the risk of loss if counterparties do not fulfill their contractual obligations and arises principally from its receivables. Accordingly, credit risk is considered low.

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(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages liquidity risk by maintaining cash. Liquidity requirements are managed based on expected cash flow to ensure there is capital to meet short term and long-term obligations. At September 30, 2023, the Company did not have sufficient cash on hand to pay its short-term creditors and does not generate cash from its operations. Accordingly, liquidity risk is considered high.

OTHER RISK FACTORS

The Company has no history of profitable operations and its present business is at an early stage. As such, the Company is subject to many common risks to new and developing enterprises, including undercapitalization, cash shortages and limitations with respect to personnel, financial and other resources and the lack of revenues. There is no assurance that the Company will be successful in achieving a positive return on shareholders' investment.

The Company has no source of operating cash flow and no assurance that additional funding will be available to it for further exploration and development of its projects when required. Although the Company has been successful in the past in obtaining financing through the sale of equity securities and properties, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration and development of its properties.

A number of the Company's directors and officers serve or may agree to serve as directors or officers of other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of The Company may have a conflict of interest in negotiating and concluding terms respecting such participation. Further, certain of the directors and officers are involved in other copper exploration companies and other companies that are developing mines. As a result, conflicts of interest may arise, and officers and directors cannot devote 100% of their time to the Company.

The Company has invested resources to document and analyze its system of internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with

generally accepted accounting principles. 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.

LEGAL MATTERS

Other than the item(s) disclosed in the financial statements, the Company is not currently and has not at any time during our most recently completed fiscal year, been party to, nor has any of its properties been the subject of, any material legal proceedings or regulatory actions.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for the design of the Company's internal controls over financial reporting ("ICFR") as required by National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). ICFR is intended to provide reasonable assurance regarding the preparation and presentation of financial statements for external purposes in accordance with applicable generally accepted accounting principles. Internal control systems, no matter how well designed, have inherent limitations.

Based on a review of its internal control procedures at the end of the period covered by this MD&A, management has determined that the Company's internal controls over financial reporting have been effective to provide reasonable assurance regarding the reliability of financing reporting and the preparation of financial statements for external purposes in accordance with IFRS. There were no changes in the Company's internal controls over financial reporting that occurred during the period that have materially affected, or are reasonably likely to affect, our

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internal control over financial reporting.

However, even those systems determine to be effective can provide only reasonable assurance with respect to financial statement and preparation. A control system, no matter how well conceived or operated can provide only reasonable, not absolute, assurance and are not expected to prevent all errors and fraud.

ADDITIONAL INFORMATION

Additional information about the Company is available at the website of the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca.

APPROVAL

The board of directors has approved the disclosure contained in this MD&A.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy, exploration plans, and environmental protection requirements. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is subject to known and unknown risks and uncertainties that may cause the actual results, or performance of the Company, to be materially different from those expressed or implied by such forward-looking information. These risks and uncertainties include risk and uncertainties associated with the mining industry and the exploration and development of mineral projects, such as the uncertainty of exploration results, the volatility of commodity prices, potential changes in government regulation, the uncertainty of potential title claims against the Company's projects, and the uncertainty of predicting operating and capital costs. They also include risks and uncertainties that affect the business environment generally,

such as international political or economic developments, changes in interest rates and the condition of financial markets, and changes in exchange rates.

Forward-looking information is based on assumptions and expectations which the Company considers to be reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. Prime Meridian Resources Corp. does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward-looking information.

Directors and Officers

Brian Leeners – Director, Chief Executive Officer
Greg Pearson, - Director
Tyler Thorburn – Director
Maria Conejo – Director
Edward Low – Chief Financial Officer
Gord Fretwell – Corporate Secretary