



(An exploration stage business)

Coppernico Metals Inc.

Management's Discussion & Analysis
For the three and nine months ended September 30,
2024

Dated: November 14, 2024

Coppernico Metals Inc.

Management's Discussion and Analysis of Financial Condition and Results of Operations
for the three and nine months ended September 30, 2024
(In Canadian dollars, unless otherwise noted)

1. HIGHLIGHTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND SUBSEQUENT EVENTS UP TO THE DATE OF FILING

1.1 Operational highlights

- On November 12, 2024, Coppernico Metals Inc. ("Coppernico" or the "Company") provided an update on its inaugural drilling program being conducted through its wholly owned, private Peruvian subsidiary, Sombrero Minerales SAC ("Sombrero Minerales"), at its Sombrero copper-gold property ("Sombrero Project") in Peru. To date, the Company has identified six significant targets within the Ccascabamba target area on the project and initial drilling has tested only small sections of the first two (see Figure 1 in section 3.1 below). Notable findings from the first five holes drilled within the Ccascabamba target area include 19 metres ("m") of 0.50% Copper ("Cu") and 27 m of 0.21% Cu drilled in hole 4, which is on the margin of a large and prospective chargeability zone subsequently drill tested with holes 6 through 8, for which assay results are pending.
- On September 9, 2024, the Company provided an update on its ongoing Phase 1 drilling, being conducted at its Sombrero Project, targeting copper skarn mineralization. As at September 9, 2024, the Company had successfully completed three diamond drill holes for a total of 1,161 m at the Corrales target, where preliminary findings have provided valuable insights into the geological setting and potential of the project. Significantly, the fourth drill hole of the program testing the Hojota target was underway and had intersected broad zones of garnet skarn alteration, sulphide mineralization and porphyry related intrusions and alteration.
- On July 24, 2024, the Company announced that, through Sombrero Minerales, it had commenced an inaugural core drilling program at the Ccascabamba (previously referred to as Sombrero Main) target area within its Sombrero Project. The 2024 drilling program ("Phase 1") is expected to consist of 6,500 m using one drill rig.
- On June 12, 2024, the Company announced that, through Sombrero Minerales, it had entered an agreement with AK Drilling International S.A. ("AK Drilling"), a Peru-based drilling company, to commence an initial drill program at the Ccascabamba target area within its Sombrero Project. Under the agreement, which has a term of one year, the Company has committed to a minimum of 3,000 m of diamond core drilling although it expects to complete up to 6,500 m, of which 3,815 m had been completed as of the date of this MD&A. The drill program will target skarn style mineralization along the highly prospective and extensive contact zone between the Ccascabamba intrusive complex and Ferrobamba limestone. Mapping and sampling in the areas of Corrales, Hojota, and the area south of Fierrazo have demonstrated broad zones of mineralization on surface which appear to extend underneath post mineralization cover. The drill program will start to test an approximate 2.5 km long section of the intrusive contact zone along its southern margin and underneath the post mineral cover.
- On April 24, 2024, and March 26, 2024, the Company announced that Sombrero Minerales had received all the permits, including the water permit and start of activities permit (together the "Permit"), required for drilling at its Sombrero Project. The Permit covers an area of 972.92 hectares, including the Ccascabamba target area. The groundwork activities that commenced in February 2024 were progressing as scheduled and were supporting final drill target preparation and exploration across new targets. The Company holds the environmental permit ("DIA"), enabling the drilling of up to 49 holes to be drilled from 38 drill pads within the Ccascabamba target area.
- On February 20, 2024, the Company announced that it had initiated field work activities on its Sombrero Project in the Ccascabamba target area. The current exploration programs were designed to enhance and expand existing targets and advance the Company's understanding of four high-priority exploration areas within the currently accessible concessions. The exploration work was being completed concurrently with the final stages of drill permitting for the Ccascabamba target area (subsequently obtained as per above).
- Since obtaining its Huancasancos community access agreement, a form of social licence, to explore on-site in Q4 2023, the Company has continued to engage positively and constructively with its host communities and has worked to ensure the safety and well-being of its employees, contractors, and related stakeholders. The Total Recorded Incident Frequency Rate ("TRIFR") stands at nil for all contractors and employees at site.

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1.2 Corporate highlights

- On November 12, 2024, the Company announced that it was in the final stages of its application process to begin trading on the OTCQX Best Market (the "OTCQX"), a United States trading platform that is operated by the OTC Markets Group in New York. As of the date of this MD&A, the Company anticipates that trading will commence on or about November 15, 2024, subject to final regulatory approval, under the symbol CPPMF, on OTCQB Venture Market, while it progresses towards meeting all OTCQX qualification criteria.
- On August 22, 2024, the Company announced the voting results for the election of its Board of Directors at the Annual General Meeting (the "Meeting") of Shareholders held on August 21, 2024, in Vancouver, British Columbia. All director nominees as listed in the Company's Information Circular dated July 5, 2024, and SEDAR+ filed July 12, 2024, were elected as directors of the Company at the Meeting to serve until the next Meeting.
- On August 13, 2024, the common shares of the Company commenced trading on the Toronto Stock Exchange ("TSX") under the trading symbol "COPR".
- On July 15, 2024, the Company announced the nomination of Mary-Jane ("MJ") McQuhae, MBA, to stand for election as director at the Company's upcoming annual general meeting to be held on August 21, 2024 (she was subsequently elected per above). The Company also announced that Gordon Fretwell has been appointed as Lead Independent Director ("LID") and the Board adopted a LID charter, available on the Company's website.
- On May 27, 2024, the Company filed a technical report on its Sombrero Project titled Technical Report on the Sombrero Main/Nioc Project, Ayacucho Department, Peru (the "Sombrero Technical Report"). The Sombrero Technical Report was prepared in accordance with Canadian NI 43-101 – Standards of Disclosure for Mineral Projects and has an effective date of April 17, 2024 (subsequently the Company has renamed the Sombrero Main target area to the Ccascabamba target area). Concurrently with filing the Sombrero Technical Report, the Company filed its initial Annual Information Form ("AIF") for the fiscal year ended December 31, 2023. These documents are available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.coppernicometals.com.
- On May 16, 2024, the Company closed a \$19.37 million private placement equity financing (the "May 2024 Offering") which included participation by Teck Resources Limited ("Teck"). As part of the May 2024 Offering, which consisted of both a non-brokered and brokered portion, the Company issued an aggregate of 38,750,580 units at \$0.50 per unit of which Teck acquired 17,546,580 units, 9,870,000 units were issued as part of the non-brokered portion, and 11,334,000 units were sold by a syndicate of agents. The net proceeds from the May 2024 Offering will be used primarily for drilling of the drill permitted Ccascabamba target area at the Sombrero Project and as agreed with Teck, the \$8.77 million of proceeds provided by Teck will be directed towards exploration of the Sombrero Project.

Each unit issued under the May 2024 Offering consisted of one common share of the Company, one half of a share purchase warrant (each whole share purchase warrant, a warrant) and one special warrant (which has expired). Each share purchase warrant is exercisable to acquire an additional share at a price of \$0.75 until May 16, 2026. If the closing price of the Company's common shares on a recognized stock exchange meets or exceeds \$1.25 for 20 out of any 30 consecutive trading days ending at least four months after May 16, 2024, the Company may accelerate the expiry date of the warrants to a date that is not less than 30 days from the date when such notice is given. In connection with the May 2024 Offering, the Company paid total cash fees of \$690,519 and issued 854,640 compensation options collectively to the agents and other finders, including its financial advisor. Each compensation option entitles the holder thereof to subscribe for one common share at \$0.50 until May 16, 2026.

In connection with the above financing, Teck has the pre-emptive right, until May 16, 2026, and provided it retains at least an 8% shareholding in the Company, to participate in future Coppernico equity financings in an amount necessary to maintain its shareholding percentage. This purchase right is subject to customary carve-outs for incentive options and strategic acquisitions in respect of which it will be offered the right to top up once a year at market for the equivalent number of shares in which it could not participate. During this period Teck will also have a right to match any third-party investor that purchases a number of shares from treasury greater than the number of shares held by Teck. Teck also agreed to standstill to a maximum 14.15% unless and until a third party seeks to acquire control and in certain other stated events. Teck has agreed to a 12-month

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voluntary hold period on its securities. After the twelve-month period, Teck shall have the right to sell its shares and warrants in excess of 2% of the outstanding shares, subject to the Company retaining a right to designate an alternative purchaser(s) within ten business days of receipt of the notice of intention to sell from Teck. A copy of the Teck subscription has been filed on www.sedarplus.ca.

- On April 9, 2024, the Company announced that Mr. Steve Cook, an independent Board Director, retired from his role and will remain as an advisor to the Company.
- On February 20, 2024, the Company announced the appointment of Margarita Cardona as Investor Relations Manager. Katie Bromley, Corporate Communications Manager, is currently on leave.
- On January 17, 2024, the Company announced that it had closed the third tranche of its non-brokered private equity placement (the "September 2023 Placement"). The September 2023 Placement was initially announced on September 28, 2023, and subsequently, on October 20, 2023, the terms and conditions were amended to a \$0.15 unit consisting of a common share and a share purchase warrant, exercisable at \$0.30 until the fifth anniversary of listing the common shares on a recognized stock exchange. In total, the Company issued 15,862,049 units in the September 2023 Placement for total gross proceeds of \$2,379,307. Participation in the placement by insiders of the Company totalled 1,726,017 units for gross proceeds of \$258,903. The funds from the September 2023 Placement were used as intended to complete the required social access agreement and drill permits process and for the restart of surface exploration work at the Ccascabamba (previously called Sombrero Main) target area of the Sombrero Project, as well as for general working capital.
- On January 17, 2024, the Company announced that the Company's Board of Directors had appointed Mr. Keenan Jennings, MBA, MSc., as a Board Director effective January 13, 2024. Most recently, Mr. Jennings was Vice President, Metals Exploration at BHP during which time he led and enhanced BHP's global exploration efforts, delivering key discoveries such as the iron oxide copper-gold Oak Dam project in South Australia and the copper porphyry Ocelot project in Arizona, USA. He has over 35 years of experience in global mineral exploration, project evaluation and acquisition/divestiture, mine development and production, plus C-Suite strategy development and implementation with some of the world's leading mining companies.
- On January 11, 2024, the Company announced the appointment of Stacy Rowa, CPA, as Chief Financial Officer, effective January 1, 2024. Ms. Rowa replaced the former CFO, who resigned effective December 31, 2023. The Company also announced that Mr. Shawn Wallace had retired from his role as Chair of the Board of Directors and as a Board Director of Coppernico to focus on his role as Chief Executive Officer ("CEO") at Torq Resources Inc., and will remain an advisor to the Company. Coppernico's CEO, Ivan Bebek, will serve as interim Chair of the Board.

2. DATE AND FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis ("MD&A") of Coppernico has been prepared by management to assist the reader to assess material changes in the condensed interim consolidated financial statements and results of operations of the Company as at September 30, 2024, and for the three- and nine-month periods then ended (certain specified information is current to the date of filing).

This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company and related notes thereto as at and for the three and nine months ended September 30, 2024 (the "financial statements"). All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and all dollar amounts presented are Canadian dollars unless otherwise stated.

The effective date of this MD&A is November 14, 2024. Information is as of September 30, 2024, unless otherwise noted.

2.1 Forward-looking statements and risk factors

Certain statements made in this MD&A contain forward-looking information within the meaning of applicable Canadian and United States securities laws ("forward-looking statements"). These forward-looking statements are presented for the purpose of assisting the Company's shareholders and prospective investors in understanding management's intentions and views regarding future outcomes and are inherently uncertain and should not be heavily relied upon. When used in this MD&A, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek",

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"propose", "estimate", "expect", and similar expressions, as they relate to the Company, identify such forward-looking statements. Specific forward-looking statements in this MD&A may include, but are not limited to: the Company's ability to execute on its exploration and financing plans; the likelihood of discovering resources; the potential for access to and exploration of the Company's projects, permitting timelines; government regulation of mining operations; environmental and climate-related risks; the possible impairment of mining interests; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital raises for the Company; the liquidity of the common shares in the capital of the Company and other events or conditions that may occur in the future; the Company's intention to grow its business and its operations; the Company's competitive position; and changes to government regulation, in particular Peruvian.

The forward-looking statements contained in this MD&A represent the Company's views as of the date hereof. The assumptions related to these plans, estimates, projections, beliefs and opinions may change without notice and in unanticipated ways. Many assumptions may prove to be incorrect, including the Company's budgeting plans, expected costs, assumptions regarding market conditions and other factors upon which the Company has based its expenditure and funding expectations; the Company's ability to obtain or renew the licenses and permits necessary for exploration; the Company's ability to complete and successfully integrate acquisitions; the possible effects of climate change, extreme weather events, water scarcity, and seismic events, and the effectiveness of strategies to deal with these issues; the Company's expectations regarding the future demand for, and supply and price of, base and precious metals; the Company's ability to recruit and retain qualified personnel; the Company's ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals.

Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to control or accurately predict, that may cause the actual results, performance or achievements of the Company, or developments in the Company's business or in its industry, to differ materially and adversely from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Some of the risks and other factors which could cause results to differ materially from those expressed in the forward-looking statements and information contained in this MD&A include, but are not limited to: risks in investigating, optioning or otherwise acquiring interests in mineral projects of merit followed by the high risk of exploration failure, risks in our ability to secure governmental permits and a social license to explore the projects, risks that the financial markets will lose their appetite to finance junior resources issuers; fluctuations in the current and projected prices for precious and base metals; technical risks and hazards associated with mineral exploration including environmental hazards, potential unintended releases of contaminants, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding; the uncertainty in the process of estimation and valuation of any mineral resources that may be discovered, changes in tax, title and mining laws and regulations impacting exploration activities; the risk of the Company's mineral properties being subject to unknown prior unregistered agreements, transfers or claims and other defects in title; general opposition to mining activities and attendant legal and litigation risks; statutory and regulatory compliance; insurance and uninsurable risks; the Company's limited business history and history of losses and negative cash flow, which will continue into the foreseeable future; the Company's inability to pay dividends; the continued involvement of the key management team and the ability to secure the specialized skill and knowledge necessary to operate in the mining industry; relations with and potential demands and claims by local communities and non-governmental organizations, including indigenous populations and affected local communities with whom the Company is required to pursue local community surface access agreements in order to explore; the expenses and other requirements of being a public company; risks associated with the significant resources required to maintain regulatory compliance as a public company; the effectiveness of the Company's internal control over financial reporting; cybersecurity risks; risks relating to the Company's public perception; general business, economic, competitive, political and social uncertainties; and public health crises. While we have sought to provide a list of the principal risks, these are the known risks and hence cannot be an exhaustive list of the risks and other factors that may affect any of the Company's forward-looking statements as there are likely also unknown risks. Additional information relating to the Company and its operations, including its Annual Information Form, is available on the SEDAR+ website at www.sedarplus.ca and on the Company's website at www.coppernicometals.com. These documents are for supplemental information purposes only and not incorporated by reference in this MD&A.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management of the Company to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or

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the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement.

The Company's management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its MD&A and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur. Historical results of operations and trends that may be inferred from the following discussions and analysis but may not necessarily indicate future results from operations.

3. DESCRIPTION OF THE BUSINESS

Coppernico is a mineral exploration company focused on creating value for shareholders and stakeholders through diligent project evaluation and exploration excellence in pursuit of the discovery of world-class copper-gold deposits in the Americas. The Company is currently focused on the Sombrero Project in southern Peru.

While the Ccascabamba target area of the Sombrero Project is Coppernico's current focus, the Company continues to consider how to optimize its portfolio and potential projects pipeline. The optimization process includes both the right sizing of its greater Sombrero Project footprint by either farming out, divesting of, or relinquishing less prospective areas, and the review of additional premium projects for potential acquisition.

On August 13, 2024, the common shares of the Company commenced trading on the TSX under the trading symbol "COPR".

The corporate organization structure includes: one wholly owned private subsidiary in Peru, Sombrero Minerales; a 50% owned Peruvian service company, Universal Mineral Services Peru S.A.C. ("UMS Peru"); and a 25% owned Canadian service company, Universal Mineral Services Ltd. ("UMS Canada"). The arrangements that support the investment in UMS Canada and UMS Peru are described in Note 5 to the financial statements.

3.1 Sombrero copper-gold project

The Sombrero Project covers approximately 102,700 hectares (1,027 square kilometres) in which it holds, through its Peruvian subsidiary Sombrero Minerales, direct and indirect interests through a combination of staking and option agreements. The Company is currently focused on the highest priority and most advanced Ccascabamba (previously referred to as Sombrero Main) and Nioc target areas which together cover approximately 16,300 hectares within the Sombrero Project land package. The Ccascabamba target area is fully permitted for drilling and in July 2024 the Company commenced its inaugural drill program in this area.

2024 Activity and Plans

In February 2024, the Company initiated field work activities on its Sombrero Project in the Ccascabamba target area. The surface program was designed to enhance and expand existing targets and advance the Company's understanding of high-priority exploration areas to further prepare for the Company's inaugural drill program. Surface field work, focused on mapping with the goal of refining final drill targets, was conducted between February and June 2024.

Having completed the drill permitting process in April 2024, the Company commenced its inaugural core drilling program at the Ccascabamba target area on July 12, 2024. The program is discovery-based aimed at targeting sub surface zones of copper-rich skarn mineralization identified in surface mapping and channel sampling, and further targeting new copper skarn mineralization along the southern margin of the Ccascabamba intrusive complex both at depth and along strike.

As at the date of this MD&A, the Company has drilled approximately 3,815 m of the 6,500 m planned for the 2024 Phase 1 drill program and has completed eight holes within the Ccascabamba target area (Figure 1). On November 12, 2024, the Company provided an update with assay results from the first five holes in the Ccascabamba target area including 19 m of 0.50% Cu and 27 m of 0.21% Cu drilled in hole 4, which is on the margin of a large and prospective chargeability zone subsequently drill tested by holes 6 through 8, for which assay results are pending. Highlights from the program are summarized below:

- Hojota Target (holes 4 and 5):
 - Hole 4 includes 19.15 m of 0.50% Cu from 91.95 m depth and 27.45 m of 0.21% Cu from 5.75 m depth.
 - Shows a strong link between elevated chargeability and increased sulfide content, and

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- broad intervals with anomalous Cu and Zinc ("Zn") values, representing important validation of the scale and potential of the target (Figure 2).
- Hole 5 demonstrates the widespread development of skarn alteration across the project area.
- Corrales Target (holes 1-3):
 - Holes show garnet skarn alteration at surface, accompanied by elevated Cu, Zn and Manganese indicating a vector to Cu mineralization to the north, west and east.
 - Holes show marble and recrystallized limestone zones near 50-100m depth, and brittle fault zones with hematite and magnetite mineralization with elevated Cu values.

Figure 1: Plan map of Phase 1 drilling completed to date. Assay results pending from holes 6, 7 and 8.

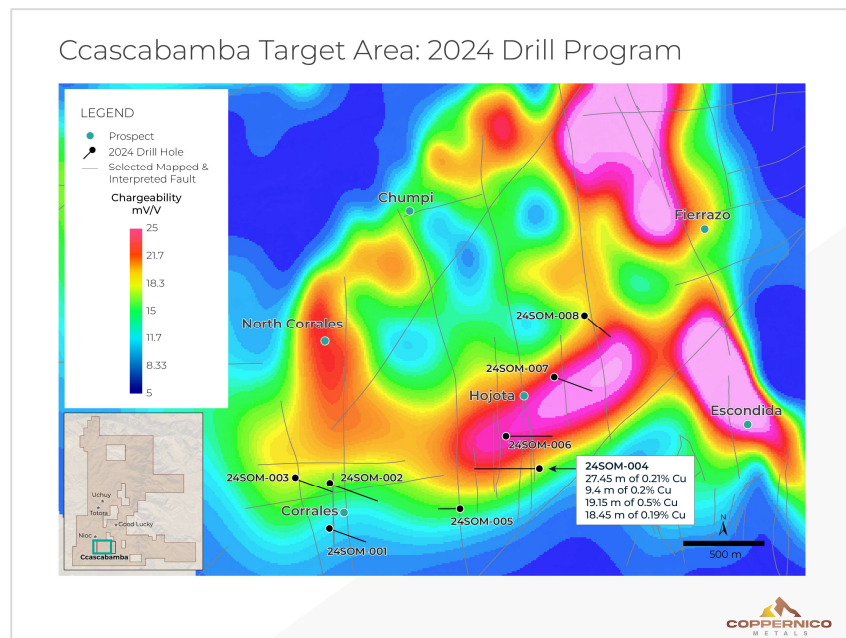
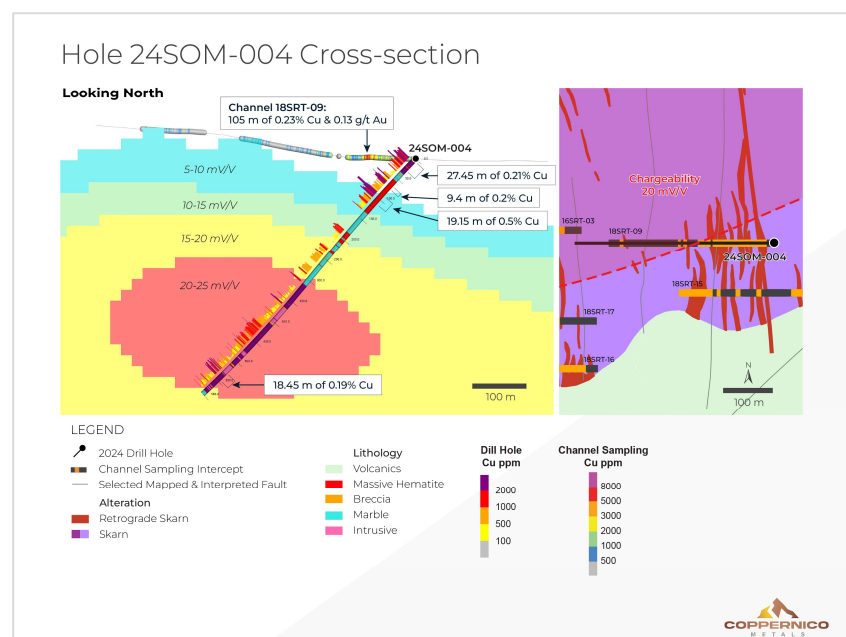


Figure 2: Cross-section looking north of hole 4 with lithology, Cu assay results and chargeability model.



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The Company is also working on expanded drill permit applications, aiming to increase from 49 holes currently permitted, to 200 holes and capacity to operate additional drill rigs, providing flexibility to drill more extensively and more quickly within a larger polygon.

Concurrent with drilling, the Company is continuing the process of reviewing its extensive land package. The reconnaissance work being completed is aimed at identifying targets and helping to refine the Company's property holdings for future exploration.

3.2 Qualified person and technical disclosures

Tim Kingsley, M.Sc., CPG, Coppernico's VP of Exploration, is the "Qualified Person" (as defined in NI 43-101) who has reviewed and approved the technical disclosures in this MD&A.

2024 Sombrero Drilling Protocol

Analytical samples were taken by sawing HQ or NQ diameter core into equal halves on site and one of the halves was sent to the ALS Lab in Lima, Peru for preparation and analysis. Preparation included crushing core sample to 90% < 2mm and pulverizing 1,000 g of crushed material to better than 95% < 106 microns. All samples are assayed using 30 g nominal weight fire assay with atomic absorption finish (Au-AA23) and multi-element using four acid digest ICP-AES/ICP-MS method (ME-MS61). Where MS61 results were greater or near 10,000 ppm Cu, or 10,000 ppm Zn the assays were repeated with ore grade four acid digest method (Cu-OG62). QA/QC programs for 2024 core samples using internal standard samples, blanks, and duplicates, lab duplicates, lab standards, and lab blanks indicate good overall accuracy and precision.

4. DISCUSSION OF OPERATIONS

4.1 Three months ended September 30, 2024, and 2023 (Q3 2024 vs. Q3 2023)

During the three months ended September 30, 2024, the Company reported a loss of \$3,342,705 compared to a loss of \$804,229 for the same period in 2023. Significant variances within operating expenses resulted in a combined \$2,538,476 increase in the current period's loss, and are explained as follows:

- Exploration and evaluation in Q3 2024 increased to \$2,117,932 from \$251,692 in Q3 2023 as the Company completed preparations, including the construction of roads and drill platforms, and commenced its inaugural diamond drill campaign drilling a total of 2,419 m over 5 drill holes at the Ccascabamba target area during the current quarter. Q3 2024 costs also included \$140,566 of share-based compensation related to the Company's first share option grant. In Q3 2023, exploration related expenditures were limited to concession holding costs and community relations activities while the Company made efforts to secure social access, and there was no share-based compensation for the quarter.
- Fees, salaries and other employee benefits in Q3 2024 increased to \$631,925 from \$195,162 in Q3 2023, due primarily to the inclusion of \$346,318 of share-based compensation in the current quarter related to the Company's first share option grant. Also, having now listed its commons shares on the TSX and commenced its drill program, the Company has supplemented its previously reduced administrative team to help support the higher activity levels.
- Marketing and investor relations costs increased to \$419,169 in Q3 2024 from \$39,883 in Q3 2023 driven by the Company's increased corporate communication activities aimed at improving brand awareness and equity financings and enhancing communication of its exploration and corporate activities. Now as an active exploration and publicly trading company, it is expected that corporate communications and investor outreach activities will remain at appropriately elevated levels with the aim to enhance trading liquidity and broaden the Company's exposure to a larger pool of investors.
- Regulatory and transfer agent costs increased to \$173,747 in Q3 2024 from \$37,465 in Q3 2023 as a result of the TSX related listing fees and OTC Markets application fee.
- Project investigation costs in Q3 2024 decreased to \$7,166 from \$144,426 in Q3 2023 reflecting the Company's focus shift to exploration activities at the Sombrero Project, as previously mentioned, which has

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taken the attention away from seeking additional project opportunities for Coppernico's portfolio, notwithstanding, the Company does regularly review other potential projects in the Americas for acquisition.

4.2 Nine months ended September 30, 2024, and 2023 (YTD 2024 vs YTD 2023)

During the nine months ended September 30, 2024, the Company reported a loss of \$5,781,678 compared to a loss of \$2,524,210 for the same period in 2023 reflecting an increase of \$3,257,468. Significant variances within operating expenses for the comparable nine-month period are generally driven by the same factors discussed above for the three-month period, namely the recommencement of exploration activities at the Sombrero Project including the completion of surface programs, and the preparation for and commencement of the Company's inaugural drill program, as well as enhanced corporate communications programs to increase brand and information awareness, equity financings and investor outreach, as the Company has made efforts to broaden the Company's exposure to a larger pool of investors now that exploration activities have ramped up and the Company's shares are trading on the TSX.

4.3 Summary of quarterly results

Three months ended		Interest income	Loss for the period	Comprehensive loss	Loss per share
September 30, 2024	\$	199,309	\$ 3,342,705	\$ 3,421,190	\$ 0.02
June 30, 2024		19,225	1,204,391	1,153,078	0.01
March 31, 2024		9,146	1,234,582	1,096,312	0.01
December 31, 2023		3,384	1,146,808	1,276,395	0.01
September 30, 2023		3,851	804,229	672,004	0.01
June 30, 2023		15,843	681,248	803,360	0.01
March 31, 2023		2,886	1,038,733	1,042,480	0.01
December 31, 2022		-	1,008,508	1,081,427	0.01

During the last eight quarters, the Company has incurred losses and comprehensive losses. These losses result from: the Company's expenditure on its exploration and evaluation properties to prepare for and commence drilling at the Ccascabamba (formerly Sombrero Main) target area and to keep the Sombrero Project concessions in good standing; project investigation costs as the Company looks to add additional projects to its portfolio; salaries and other employee benefits and professional fees all of which are required to be compliant as a public reporting issuer company, previously non-listed and now listed; and to promote the Company's activities in the market. These expenses are monitored and controlled by management and fluctuate depending on the level of activities and the corresponding funding available to the Company to pursue opportunities.

In addition to the above, the Company recognized impairment charges of \$57,583 in the quarter ended December 31, 2023, to write-off its investment in UMS Peru, and \$238,425 in Q4 2022, which related to the termination of the option that the Company had over the Takana mineral properties, causing somewhat unusual changes in the respective quarterly results.

4.4 Summary of project costs

During the nine months ended September 30, 2024, the Company had mineral property additions of \$165,235 which primarily related to the scheduled annual payments on the Aceros option within the Sombrero Project, and has recorded a provision for site reclamation and closure in the amount of \$149,934.

	Sombrero Project
Balance as at December 31, 2022	\$ 6,662,647
Mineral property additions	181,619
Currency translation adjustment	(155,647)
Balance as at December 31, 2023	\$ 6,688,619
Mineral property additions	165,235
Recognition of provision for site reclamation and closure	149,934
Currency translation adjustment	134,691
Balance as at September 30, 2024	\$ 7,138,479

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The Company also incurred exploration and evaluation costs on its Sombrero Project as follows:

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Surface exploration	\$ 77,387	\$ -	\$ 508,292	\$ -
Exploration drilling	1,270,393	-	1,378,163	-
Concession holding costs	112,935	97,888	636,657	174,246
Community, environmental, health and safety	427,501	141,524	706,462	257,426
Project support	89,150	12,280	248,675	283,316
Share-based payments	140,566	-	140,566	-
Total for the period	\$ 2,117,932	\$ 251,692	\$ 3,618,815	\$ 714,988

4.5 Health, safety, environmental and communities

Coppernico strives to provide a safe and healthy workplace for all its employees and contractors through designing and implementing safety and health standards and practices that meet or exceed the industry standards and applicable regulations. For the nine months ended September 30, 2024, and up to the date of this MD&A, there have been no reportable injuries or occupational illnesses, resulting in a total reportable incident frequency rate of zero. During the period, the Company refreshed its risk register and Emergency Management Plans and consider them fit-for-purpose for the range of activities currently being undertaken.

The Company monitors a range of environmental parameters, including water consumption, fuel consumption, solid waste management, and areas of ground disturbance. The Company's Health, Safety, Environment and Communities Committee reviews these on a monthly basis and at the time of writing considers them in line with expectations for the nature of work being undertaken. Should any deviation from this be noted, it is reported to the authorities, local communities, and the Board in a timely manner, as required, with remedial actions undertaken.

Coppernico continues to enhance its environmental, social and corporate governance ("ESG") initiatives through the creation of jobs and additional social and sustainable agricultural programs in Peru. The Company continues to work with local and neighbouring communities with the goal of achieving social access to additional highly prospective exploration targets.

4.6 Future operations

Since November 2023, the Company has achieved various key milestones, being the completion of the social access agreement, securing drill permits, recommencement of surface exploration, raising \$19.37 million to pursue its business objective of exploring the Sombrero Project, commencing its inaugural drill program at the Ccascabamba target area and commencing trading of its shares on the TSX.

With the funds from the May 2024 Offering, the Company has commenced its inaugural drill program and continues to execute the drill plan as follows:

- Phase 1 drill program consisting of 16 diamond core drill holes for approximately 6,500 m of drilling in 2024 – the average depth is anticipated to be approximately 400 m per hole; however, actual depth will vary based on the results of each hole (the Company has completed drill holes 1-8); and,
- Phase 2 is planned to commence in 2025 to test additional prospective target areas and follow up on Phase 1 results.

The drill program has been planned on the basis of taking a methodical approach with each phase looking to test new prospective areas and each subsequent phase will be guided by results returned from previous phases. Based on current plans, the Company is funded for 11,500 m of drilling, of which approximately 3,815 m have been drilled to date, and working capital through 2025.

The objective in this early stage of Phase 1 target testing is to refine the three-dimensional understanding of the local geology and correlate it with geophysical and geochemical data. While additional drilling is required, the first five holes have already proven invaluable as the technical team's geological understanding in three dimensions is building as drilling continues which is facilitating refinement of future targets for drill testing. While certain results may not be

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considered of economic interest, they represent important validation of the scale and potential of the target. The drill holes have also improved definition of location and geometry of the intrusive/limestone contact and demonstrate an increase in sulfides and copper mineralization associated with the contact. Outcomes from drilling are also enhancing understanding of the wider Project area, where mapping is further highlighting areas of interest for future drill programs.

The Company is currently permitted for 49 holes with all planned Phase 1 and Phase 2 drilling within this permitted area; however, the Company is seeking additional permits that would expand the permitted area and allow for up to 200 drill holes, thereby facilitating greater flexibility in drill pad location, and potentially additional drill rigs.

Beyond the current focus on drilling of the Ccascabamba target area, in order to optimize the Company's mineral exploration portfolio, management continues to review rationalizing its Sombrero Project land package by assessing if all areas continue to warrant the escalating holding costs. In addition, the Company regularly reviews additional premium exploration projects to consider for acquisition.

5. FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES

5.1 Financial position and liquidity

	September 30, 2024	December 31, 2023
Working capital surplus	\$ 13,113,234	\$ 198,483
Cash	14,122,643	1,170,801
Mineral property interests	7,138,479	6,688,619
Current liabilities	1,705,713	1,282,542
	September 30, 2024	September 30, 2023
Cash used in operating activities	\$ (5,513,891)	\$ (2,549,949)
Cash provided by (used in) investing activities	53,400	(144,463)
Cash provided by financing activities	18,414,175	2,398,271

The Company's primary source of liquidity is equity issuances, the funds from which are primarily used to finance working capital, undertake its exploration activities and to make certain annual payments to ensure that all of the Company's mineral properties remain in good standing. As at September 30, 2024, the Company has a working capital surplus of \$13,113,234 (December 31, 2023 - \$198,483), which includes cash of \$14,122,643 (December 31, 2023 - \$1,170,801) and current liabilities totalling \$1,705,713 (December 31, 2023 - \$1,282,542).

Within current liabilities at September 30, 2024, the Company has recorded \$697,624 pertaining to 2023 and 2024 Sombrero Project government concession fees which are due by June 30, 2025. The recorded amount assumes the Company will choose to continue to maintain the full land package. Current liabilities also include financial amounts that the Company has committed to incur under its social access agreement to support the community with specified initiatives, and the Company's current provision of \$23,063 recorded in relation to reclamation and closure obligations it has at the Sombrero Project. A non-current reclamation and closure provision of \$126,871 has also been recorded as at September 30, 2024.

The Company's other commitments include its core diamond drilling contract, with AK Drilling, under which the Company is committed to a minimum of 3,000 m of core diamond drilling over the one-year term, of which 2,419 m had been completed at September 30, 2024, and certain commitments related to the office premises it occupies on a shared basis under the UMS Canada lease obligation disclosed in Note 5 of the financial statements.

During the nine months ended September 30, 2024, the Company used cash of \$5,513,891 in operating activities compared to \$2,549,949 during the nine months ended September 30, 2023. The cash outflow during the current period was higher than the comparable period primarily due to increased exploration activities related to the inaugural drilling campaign.

During the nine months ended September 30, 2024, cash provided by investing activities was \$53,400 compared to cash used by investing activities of \$144,463 in the comparative period. The cash provided during the current period was mainly due to interest received on the substantially higher cash deposits in comparison to September 2023,

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partially offset by the mineral property additions pertaining to scheduled option payments translated at the applicable exchange rates into Canadian dollars.

During the nine months ended September 30, 2024, cash provided by financing activities was \$18,414,175 compared to \$2,398,271 in the nine months ended September 30, 2023. The significant increase in investor interest in the current year period is likely attributable to the major milestones achieved by the Company in recent months including gaining social access, securing drill permits and recommencing field work, including drilling.

As of the date of this MD&A, the Company forecasts that its working capital surplus, is more than sufficient to satisfy its commitments and cover its 12 month working capital needs described herein. The Company currently projects 12-month expenditures of approximately \$1.5 million to cover general corporate compliance and overhead costs, \$0.6 million for corporate communications and marketing, and \$2.2 million for project related costs, which includes \$1.1 million for its property related payments to maintain the full land package, and \$1.1 million to keep its Sombrero Project permits and community relationships in good standing. In addition to the expenditures noted above, expenditures will be incurred in order to undertake exploration activities, the amount of which is dependent on the size and extent of the planned exploration program. The Company currently forecasts all-in program costs of approximately \$6.0 million over the next 12 months to complete the remaining 7,700 m of planned Phase 1 and 2 drilling. The estimated program costs include all direct and ancillary drilling costs, including continued surface work and project support. Budgets will continue to be adjusted subject to actual experience as drilling continues.

The Company has incurred operating losses to date and does not generate operating revenue to support its activities; hence, it primarily relies on equity financings. To that end, the Company completed the May 2024 Offering for \$19,375,290, and as at September 30, 2024, the Company has a strong working capital position that, based on current plans, will allow the Company to execute on its business plans for at least the next 12 months. The Company's longer-term ability to continue as a going concern remains dependent upon its ability to continue to obtain the financing, if available, to fund exploration and maintenance of its mineral properties, the realization of future profitable production, proceeds from the disposition of its mineral interests, and/or other sources.

5.2 Capital resources

The properties in which the Company currently has an interest are in the exploration stage; as such, the Company, like virtually all junior explorers, relies on equity financings to fund its activities. During the nine months ended September 30, 2024, the Company completed two equity offerings as summarized below.

On May 16, 2024, the Company closed the \$19.37 million May 2024 Offering in which it issued an aggregate of 38,750,580 units at \$0.50 per unit. The net proceeds from the May 2024 Offering will primarily be used for drilling of the drill permitted Ccascabamba target area at the Company's Sombrero Project, and more specifically, the Company has agreed with Teck that the \$8.77 million of proceeds from their investment will be directed towards the exploration of the Sombrero Project.

A summary of the proceeds and use of funds is as follows:

May 2024 Offering	Number of common shares	Source/Use of Proceeds
Units issued at \$0.50 per unit	38,750,580	\$ 19,375,290
Share issuance costs		(1,060,596)
Net proceeds		\$ 18,314,694
Actual use of proceeds to September 30, 2024		
Expenditures on Sombrero Project		(2,715,715)
Project investigation		(3,941)
General working capital		(1,472,395)
Proceeds remaining as at September 30, 2024		\$ 14,122,643

On January 17, 2024, the Company closed a third and final tranche of the September 2023 Placement in which the Company issued an additional 898,333 units for gross proceeds of \$134,750 bringing the total units issued to 15,862,049 for gross proceeds of \$2,379,307. The funds from the September 2023 Placement were intended to be, and have been, used to complete the required social access agreement and drill permits process and, once complete,

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for the restart of surface exploration work at the Ccascabamba target area within the Sombrero Project, as well as for general working capital.

A summary of the proceeds and use of funds is as follows:

September 2023 Placement	Number of common shares	Source/Use of Proceeds
Units issued at \$0.15 per unit	15,862,049	\$ 2,379,307
Share issuance costs		(24,002)
Net proceeds		\$ 2,355,305
Actual use of proceeds to September 30, 2024		
Expenditures on Sombrero Project		(1,581,992)
General working capital		(637,926)
Expenditures on project investigation		(135,387)
Proceeds remaining as at September 30, 2024		\$ -

6. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements. Earn-in arrangements are not viewed as off-balance sheet arrangements, and there are no other commitments held by the Company at the balance sheet date other than those described in section 5.1 above.

7. PROPOSED TRANSACTIONS

As at September 30, 2024, and as at the date of this MD&A, the Company had no proposed transactions.

8. RELATED PARTY TRANSACTIONS

Related party transactions, as defined by IFRS (and for clarity, not NI 61-101 which has a different definition), are those with entities over which the Company has control or significant influence, or with key management personnel, being persons having the authority and responsibility for planning, directing, and controlling the Company. Due to the Company having an ownership interest in both UMS Canada and UMS Peru they are classified as related parties. All transactions with UMS Canada and UMS Peru have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

A summary of the Company's related party transactions for the three and nine months ended September 30, 2024, and 2023, is as follows:

8.1 UMS Canada and UMS Peru

All transactions with UMS Canada and UMS Peru have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

	Three months ended September 30		Nine months ended September 30	
	2024	2023	2024	2023
Exploration and evaluation	\$ 229,698	\$ 65,189	\$ 424,425	\$ 257,756
Project investigation	45,205	103,561	49,869	299,230
Marketing and investor relations	24,444	32,303	55,548	97,090
General and administration	210,960	177,180	548,230	612,029
Total transactions	\$ 510,307	\$ 378,233	\$ 1,078,072	\$ 1,266,105

As at September 30, 2024, \$128,905 (December 31, 2023 - \$130,388) was included in accounts payable and accrued liabilities and \$92,100 (December 31, 2023 - \$114,712) in prepaid expenses and deposits relating to transactions with UMS Canada. Including the original deposit of \$150,000 advanced to UMS Canada for working capital purposes, the Company had a net deposit balance of \$113,195 with UMS Canada as at September 30, 2024.

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As at December 31, 2023, and remaining as at September 30, 2024, the Company had a working capital deposit with UMS Peru in the amount of US\$11,800; however, the amount was written down to \$nil as at December 31, 2023, as it is not expected to be recovered, and there has been no change as of September 30, 2024.

8.2 Key management transactions

The Company provided the following compensation to key management and Board members, being its four executives, of which one is a director, and six non-executive independent directors:

		Three months ended September 30		Nine months ended September 30	
		2024	2023	2024	2023
Fees, salaries and other employee benefits provided to executives	\$	267,716	\$ 153,481	\$ 644,098	\$ 640,231
Fees, salaries and other employee benefits to non-executive independent directors		37,033	40,352	95,205	121,468
Share-based compensation		361,359	-	361,359	-
Total	\$	666,108	\$ 193,833	\$ 1,100,662	\$ 761,699

As at September 30, 2024, the Company had an outstanding accounts payable balance with key management personnel of \$124,759 which primarily related to the accrued short-term compensation awards approved by the Board in relation to key management performance related achievements in 2024 (December 31, 2023 - \$115,101).

During the nine months ended September 30, 2024, the Company repaid to five Board Directors of the Company a total of \$52,354 in relation to amounts loaned in 2023 under an unsecured promissory note arrangement, plus accrued interest. In accordance with the promissory notes, on January 29, 2024, the lending Directors were issued a total of 120,000 common share purchase warrants exercisable for a three-year period at \$0.15 per common share.

During the nine months ended September 30, 2024, a Board Director of the Company loaned \$120,000 to the Company under an unsecured promissory note arrangement at an annualized simple interest rate of 12% and with the intention of being repaid by the Company on the earlier of May 31, 2024, or two days following a financing of at least \$1,000,000. The funds were loaned on May 9, 2024, and repaid in full on May 17, 2024, together with accrued interest of \$551.

9. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

In preparing the Company's financial statements, the Company applied the significant accounting estimates and judgements disclosed in Note 3 of its audited consolidated financial statements for the year ended December 31, 2023.

As at September 30, 2024, the Company recognized a provision of \$149,934 (US\$111,071) for estimated site reclamation and closure costs in relation to the site disturbances that have resulted from the on-going drill program at the Sombrero Project that started in July 2024. Significant estimates and assumptions are made in determining the provision for site reclamation and closure, as there are numerous factors that will affect the ultimate liability that becomes payable. These factors include estimates of the extent, the timing and the cost of reclamation activities, regulatory change, cost increases, and changes in discount rates. Those uncertainties may result in actual expenditures differing from the amounts currently provided. The provision at the reporting date represents management's best estimate of the present value of the future reclamation costs required, and an equal amount was recorded as a reclamation asset within mineral properties.

No other new estimates and judgments were applied for the period ended September 30, 2024.

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10. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

The Company has reviewed new and revised accounting pronouncements that are effective for periods after December 31, 2023, and noted that these did not have an impact on the financial statements of the Company.

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards as they are not applicable to the Company's financial statements.

11. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2024, the Company's financial instruments consist of cash, amounts receivable, deposits, as well as accounts payable and accrued liabilities, which are classified as and measured at amortized cost. The fair values of the current financial instruments approximate their carrying values due to their short-term nature.

The Company's financial instruments are exposed to certain financial risks including credit risk, liquidity risk and currency risk. Details of the primary risks that the Company is exposed to are laid out in Note 13 to the Company's financial statements.

12. OTHER REQUIRED DISCLOSURE

12.1 Capital structure

The Company is authorized to issue an unlimited number of common shares without par value. As at the dates shown in the table, the Company had the following outstanding securities:

	September 30, 2024	Date of this MD&A
Common shares	177,304,848	177,304,848
Share purchase options	7,857,500	7,795,000
Share purchase warrants	36,145,312	36,145,312

On May 22, 2024, the Company adopted a Long-Term Incentive Plan ("LTI Plan") with the objective of encouraging additional share ownership by its employees, officers and directors. The LTI plan provides for the awarding of share options, performance share units, restricted share units and deferred share units. The LTI Plan limits the number of shares reserved for issuance under the LTI Plan, together with all other security-based compensation arrangements of the Company to 10% of the issued and outstanding shares. On August 6, 2024, the Company granted 8,045,000 share options to employees, officers, directors and other service providers at an exercise price of \$0.50 exercisable for 5 years and subject to vesting over 18 months.

12.2 Controls and procedures

National Instrument 52-109 ("NI 52-109") requires that reporting issuers certify certain matters in their annual and interim filings, and specifically, non-venture issuers must establish and maintain disclosure controls and procedures ("DC&P"), and internal controls over financial reporting ("ICFR"). NI 52-109 recognizes that there are inherent limitations on an issuer in their first financial period following the issuer becoming a non-venture issuer and therefore officers are not required to make representations relating to the establishment and maintenance of DC&P and ICFR in their first financial period following the issuer becoming a non-venture issuer.

DC&P means controls and other procedures that are designed to provide reasonable assurance that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure.

ICFR means a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with IFRS, and that receipts and expenditures of the issuer are being made only in accordance with authorizations of management and directors of the issuer; and

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- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the issuer's assets or incurring liabilities or other obligations that could have a material effect on the consolidated financial statements.

Effective August 13, 2024, the date on which the Company's common shares were listed on the TSX, the Company ceased to be a venture issuer. As a non-venture issuer, Copernico's management is responsible for the establishment and maintenance of a system of internal control and is in the process of undertaking the necessary steps so that the design and effectiveness of its internal controls in place for the interim and annual periods ended December 31, 2024, can be tested and certified, as required. Testing will be done under the supervision of the CEO and CFO to support management's evaluation of the key controls based on the framework in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").

There are inherent limitations in all control systems and no controls and procedures can provide complete assurance that no future errors or fraud will occur. An economically feasible control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Additional disclosures pertaining to the Company's management information circulars, material change reports, press releases and other information are available on the SEDAR+ website at www.sedarplus.ca under Copernico Metal Inc.'s profile.

On behalf of the Board of Directors

"Ivan Bebek"

Ivan Bebek

President, Chief Executive Officer, and Director

November 14, 2024