INTERRA COPPER CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the Six Months Ended June 30, 2023

Contents

INTRODUCTION

This Management Discussion and Analysis (the "MD&A") of Interra Copper Corp.'s ("Interra" or the "Company") financial position and results of operations for the six months ended June 30, 2023 is prepared as at August 23, 2023. This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company and the notes relating thereto, for the six months ended June 30, 2023. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All financial amounts are stated in Canadian currency unless stated otherwise. Additional information relating to the Company is filed on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

Certain statements in this report are forward-looking statements, which reflect our management's expectations regarding our future growth, results of operations, performance and business prospects and opportunities including statements related to the development of existing and future property interests, availability of financing and projected costs and expenses. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations, or intentions of management regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance, or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur, or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management's current views and are based on certain assumptions and speak only as of the date of this report. These assumptions, which include management's current expectations, estimates and assumptions about current mineral property interests, the global economic environment, the market price and demand for commodities and our ability to manage our property interests and operating costs, may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including: (1) a downturn in general economic conditions, (2) a decreased demand or price of precious and base metals, (3) delays in the start of projects with respect to our property interests, (4) inability to locate and acquire additional property interests, (5) the uncertainty of government regulation and politics regarding mining and mineral exploration, (6) potential negative financial impact from regulatory investigations, claims, lawsuits and other legal proceedings and challenges, and (7) other factors beyond our control.

There is a significant risk that such forward-looking statements will not prove to be accurate. Investors are cautioned not to place undue reliance on these forward-looking statements. No forward-looking statement is a guarantee of future results. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Additional information about these and other assumptions, risks and uncertainties are set out in the below section entitled "Risk Factors and Uncertainties".

DESCRIPTION OF BUSINESS

Interra was incorporated under the laws of British Columbia on August 30, 2018, for the purposes of a plan of arrangement with Chemesis International Inc., a publicly traded company.

The Company is a junior mineral exploration company engaged in the acquisition, exploration, and evaluation of natural resource properties. Currently, Interra has three mineral exploration projects located in Chile, and two projects located in British Columbia, Canada.

The Company's registered and records office is located at #1008 - 550 Burrard Street, Vancouver, BC, V6C 2B5. On September 23, 2019, the common shares of the Company were approved for listing on the Canadian Securities Exchange (the "CSE") and commenced trading on September 24, 2019, under the symbol "IMCX". On March 3, 2020, the common shares of the Company were listed on the Frankfurt Stock Exchange under the symbol "3MX". On February 26, 2021, the common shares of the Company were quoted on the OTCQB Marketplace under the symbol "IMIMF" in the United States.

On March 8, 2023, the Company entered into a definitive business combination agreement (the "Definitive Agreement") with

Alto Verde Copper Inc. ("Alto Verde") and 1000465623 Ontario Inc. ("Interra Subco"), a wholly owned subsidiary of the Company, pursuant to which the Company acquired all of the issued and outstanding shares in the capital of Alto Verde (the "Transaction"). The Transaction was completed on March 31, 2023.

The Company currently has five mineral exploration projects, which are the three Alto Verde Properties located in Chile, the Chuck Creek Property located in central British Columbia, and the Thane Property located in north-central British Columbia, the details of which are set out below. The Company's principal objective is to explore and develop its properties and to identify other properties worthy of investment and exploration.

The Company has not yet determined whether its property interests contain reserves that are economically recoverable. The recoverability of amounts shown for resource properties and related deferred exploration expenditures are dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development of the resource properties and upon future profitable production or proceeds from the disposition thereof.

The continuing operations of the Company are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds therefrom. This indicates the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs by the issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

On May 2, 2022, the Company consolidated its issued and outstanding common shares on the basis of one post-consolidation common share for every nine pre-consolidation common shares with no fractional shares issued (the "Share Consolidation"). Accordingly, the Company effected the Share Consolidation in the interim financial statements and this MD&A as if it had happened at the beginning of periods reported, and disclosed all share capital, warrant, and stock option information respectively on a post-consolidated basis.

ACQUISITION OF ALTO VERDE COPPER INC.

On March 8, 2023, the Company entered into a definitive business combination agreement (the "Definitive Agreement") with Alto Verde Copper Inc. ("Alto Verde") and 1000465623 Ontario Inc. ("Interra Subco"), a wholly owned subsidiary of the Company, pursuant to which the Company acquired all of the issued and outstanding shares in the capital of Alto Verde (the "Transaction").

On March 31, 2023 (the "Date of Acquisition"), the Company completed the Transaction with Alto Verde, pursuant to which the Company acquired all of the issued and outstanding shares of Alto Verde. Alto Verde is a private mining company focused on its portfolio of prospective exploration assets located in the Central Volcanic Zone, within the prolific Chilean Copper belt.

Pursuant to the terms of the Definitive Agreement, the Transaction was effected by way of a three-cornered amalgamation, in which: (a) Interra Subco amalgamated with Alto Verde to form an amalgamated company ("Amalco"); (b) all issued and outstanding common shares of Alto Verde were exchanged for the Company's common shares; (c) all outstanding convertible equity securities to purchase Alto Verde common shares were exchanged for warrants with similar/equivalent terms; and (d) Amalco became a wholly-owned subsidiary of the Company.

As a result, the Company issued to the shareholders of Alto Verde 7,441,763 common shares (the "Consideration Shares") with a fair value of $0.80 per share on the Date of Acquisition, for an aggregate fair value of $5,953,410.

The common shares issued pursuant to the Transaction are subject to a voluntary hold period from the date of issuance pursuant to which:

i. 20% of the Consideration Shares will be released 120 days after the Date of Acquisition;
ii. 20% of the Consideration Shares will be released 240 days after the Date of Acquisition;
iii. 20% of the Consideration Shares will be released 365 days after the Date of Acquisition;

iv. 20% of the Consideration Shares will be released 456 days after the Date of Acquisition; and
v. 20% of the Consideration Shares will be released 547 days after the Date of Acquisition.

Additionally, 11,729 compensation options of Alto Verde were exchanged for 2,946 replacement warrants of the Company with fair value of $518. Each replacement warrant entitles the holder to purchase one common share of the Company at an exercise price of $1.79 per share and has an expiry date of October 23, 2023.

The Company estimated the grant date fair value of the replacement warrants and replacement options, using the Black-Scholes option pricing model with the following weighted average assumptions:

Risk-free interest rate	3.78%
Expected annual volatility	151%
Expected life	0.56 years
Expected dividend yield	nil
Share price at grant date	$0.80

In connection with the Transaction, the Company entered into a finder's fee agreement as compensation for introducing the Company and Alto Verde. The Company issued to the finder 421,171 common shares with a fair value of $0.80 per share for an aggregate fair value of $336,937, which was considered as transition costs.

In connection with the Transaction, the Company incurred additional transaction costs of $123,457.

In addition, the Company had commitments under 11 marketing consulting agreements totaling $1,012,800 which were settled subsequent to the Date of Acquisition.

The Acquisition constitutes an asset acquisition as Alto Verde does not meet the definition of a business, as defined in IFRS 3, "Business Combinations" and is accounted for in accordance with guidance provided IFRS 2, "Share-Based Payment".

The total consideration of $6,414,322 including transaction costs of $123,457 associated with the Transaction has been allocated as follows:

	$
Cash	29,259
Amounts receivable	29,029
Prepaid expenses	8,065
Value-added tax receivable	26,391
Equipment	1,700
Exploration and evaluation assets	6,990,520
Accounts payable and accrued liabilities	(670,642)
Fair value of net assets acquired	**6,414,322**
Consideration comprised of:	
Fair value of common shares issued	5,953,410
Finder's fees	336,937
Fair value of replacement warrants issued	518
Transaction costs	123,457
	6,414,322

FISCAL 2023 HIGHLIGHTS

- On March 31, 2023, on completion of the Transaction, Christopher Buncic was appointed President, Chief Executive Officer, and Director of the Company. Jason Nickel moved from his previous role as Chief Executive Officer to Chief Operating Officer, Richard Gittleman was appointed as an Independent Director.

- On March 31, 2023, the Company granted 465,000 stock options with an exercise price of $0.80 and expiration date of March 31, 2028 to certain directors, officers, and consultants of the Company. These stock options vest over a period of eighteen months.

- On March 31, 2023, the Company completed the Transaction. The Company issued to the shareholders of Alto Verde 7,441,763 common shares at a price of $0.80 per share for an aggregate fair value of $5,953,410. See Alto Verde Transaction section above.

  In connection with the Transaction, the Company issued 5,781,722 subscription receipts at a price of $0.50 per subscription receipt for gross proceeds of $2,890,861 (the "Private Placement"). On March 31, 2023, the subscription receipts automatically converted into units of the Company. Each unit comprises of one common share and one-half share purchase warrant. Each full warrant is convertible into one common share of the Company at an exercise price of $0.75 for a period of thirty-six months following the closure of the Transaction. The warrants will be subject to an acceleration provision allowing the Company to accelerate the expiration date with a thirty-day notice period to warrant-holders in the event the common shares trade on the CSE for ten consecutive days at $1.25 or higher.

  In connection with the Private Placement, the Company paid cash finder's fees of $91,640, issued 57,520 common shares and 240,800 finder's warrants. Each warrant entitles the holder to purchase one common share at an exercise price of $0.75 per share for a period of thirty-six months from the date of issuance.

- On April 17, 2023, the Company announced its 2023 exploration plans at the Tres Marias Copper Project. The planned exploration program consists of 10,500 m of reverse circulation drilling across three target areas within the 16,080 ha of contiguous concessions.

- On April 25, 2023, pursuant to the option agreement, the Company made $20,000 cash option payment to two optionors for the Chuck Creek Property.

- On May 4, 2023, the Company provided further detail on the first phase of its planned exploration program at the Company's Tres Maris Copper Project.

- On May 24, 2023, the Company announced that it has commenced drill and crew mobilization at its Tres Marias Copper Project.

- On May 29, 2023, the Company signed an amendment to the agreement with Freeport-McMoRan South America Limitada ("FCX") for the purchase and sale of the Tres Marías mining claims that provided for an extension of the Exploration Period by an additional two years to September 23, 2026 as well as other terms and conditions.

- On June 27, 2023, the Company appointed Mike Ciricillo, Dr. Mark Cruise, and Rich Levielle to the Board of Directors; Paul Robertson was appointed as the Company's Chief Financial Officer.

SUBSEQUENT EVENTS

- On July 11, 2023, the Company announced completion of Its Phase 1 Drilling Program at the Tres Marías Copper Project in Chile. In total, six RC holes totaling 1,896 m were drilled. Samples were sent to ALS Global for analysis and results are pending.

FINANCIAL REPORTING AND DISCLOSURE DURING ECONOMIC UNCERTAINTY

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic; the Company has not been significantly impacted by the spread of COVID-19. However, the ongoing COVID-19 pandemic, inflationary pressures, rising interest rates, the global financial climate and the conflict in Ukraine are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position and the Company's ability to raise funds at this time.

MINERAL PROPERTIES

The Company's portfolio includes three copper exploration projects located in northern Chile as follows: Pitbull in the Tarapaca Region, Tres Marías and Zenaida in the Antofagasta Region, together covering a total area of 49,050 acres (198.50 square kilometres).

- **Tres Marías Copper Project**

  Overview

  The Tres Marías Copper Project is a prospective mid-stage exploration group of concessions covering an area of 16,050 ha and is located within the Paleocene-Lower Eocene Central Metallogenic Belt, Region of Antofagasta, at 1,600 m elevation, and with year-round access (the "Property").

  Alto Verde, Minera Tres Marías Spa ("MTM") and Minera Freeport-McMoRan South America Limitada ("MFMSA") entered into a mining concession purchase and sale agreement dated September 23, 2021 (the "Tres Marías Agreement") for an aggregate purchase price of US$250,000. The Tres Marías Copper Project consists of 58 mining concessions located in the Region of Antofagasta, Commune of María Elena, Province of Tocopilla, Chile.

  Pursuant to the amended terms and conditions of the Tres Marías Agreement, the Company has an obligation to spend US$5,000,000 in qualifying exploration expenditures no later than October 20, 2026, including a minimum of US$400,000 of drilling and ancillary expenditures by December 31, 2023 (the "Tres Marías Exploration Commitment"). Upon satisfying the Tres Marías Exploration Commitment, MFMSA will have a Repurchase Right and option to:

  (i) acquire a 51% interest in MTM's share capital for US$12.5 million, or [1]
  (ii) acquire a 49% interest in MTM's share capital for US$250, or [1]
  (iii) not acquire any interest in MTM.

  ____
  (1) collectively the "TM Purchase Option".

  If MFMSA exercises the TM Purchase Option to acquire a 51% interest in MTM's share capital, the Company will be granted a 0.5% Net Smelter Return ("NSR") over the Tres Marias Property.

  If MFMSA exercises the Purchase Option to acquire a 49% interest in MTM's share capital, MFMSA will be granted a 1.0% NSR royalty over the Tres Marias Property.

IF MFMSA elects not acquire any interest in MTM, MFMSA will be granted a 1.0% NSR royalty over the Tres Marias Property.

Historical Exploration

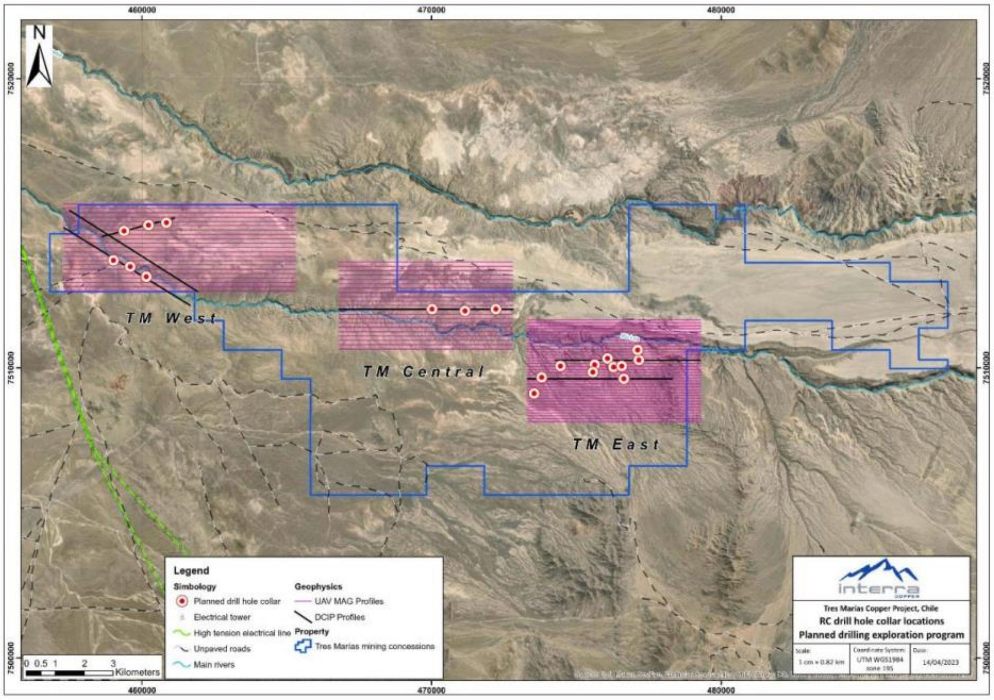
There is visible hydrothermal alteration in the outcrops that, based on geological mapping, corresponds to continental clastic sedimentary rocks of the Jurassic Quehuita Formation. FCX completed 2,800 m of drilling in 2015 and 2018, performed in the eastern portion of the Property, including 6 diamond drill holes (DDH) and 1,000 m in 2 reverse circulation (RC) drill holes, and there remains much to be followed up on. Highlights from these historical drill holes include TMD-15-02 with 2.4 m of 3.10% Cu and 19 ppm Ag, and TMRC-18-01 with 4.0 m of 4.50% Cu and 121.5 ppm Ag. Drilling indicated anomalous polymetallic zinc, silver, and lead. The central and western-most part of the Property have not been fully assessed despite hosting second priority geophysical targets, suggesting good potential for copper porphyry discovery. Reprocessing and 3D inversion of historical ZTEM airborne geophysical survey, recent completion of a UAV (Drone) MAG survey, and surface IP survey has highlighted three notable targets across the Property. The data from these studies has formed the basis for the upcoming drilling campaign.

2023 Exploration Activities

The planned exploration program consists of 10,500 m of reverse circulation ("RC") drilling across three target areas within the 16,080 ha of contiguous concessions. The objective of the program is to test a number of targets identified in the technical work completed to date, which includes the reprocessed historical airborne ZTEM and 3D inversion of this airborne data, a 504 km UAV high-resolution magnetic survey, and a 29 line-km GDAS 3D induced polarization survey completed by the Company.

The three target areas of interest are clustered in the Eastern, Central, and Western parts of the property, as highlighted in Figure 1. Historical work on the Project had identified Tres Marías East as a target area, but the reprocessing of historical geophysics and the completion of additional studies identified stronger anomalies in Tres Marías Central and West which the exploration program will also test. Figure 1: Tres Marías Copper Project planned RC drill holes. The planned exploration program will be completed in a phased approach, with the first phase of the program comprising 2,100 m of RC drilling in Tres Marías East. Figure 2 below highlights the collar locations. The initial planned drill holes are aimed at testing different geophysical combinations from the ZTEM reprocessing, UAV MAG survey, and IP/Resistivity survey, as well as the geological model due to their proximity to the Guacate Fault, which has likely imparted some structural control on mineralization.

Figure 1: Tres Marias Copper Project planned RC drill holes



The planned exploration program will be completed in a phased approach, with the first phase of the program comprising 2,100 m of RC drilling in Tres Marías East. Figure 2 below highlights the collar locations. The initial planned drill holes are aimed at testing different geophysical combinations from the ZTEM reprocessing, UAV MAG survey, and IP/Resistivity survey, as well as the geological model due to their proximity to the Guacate Fault, which has likely imparted some structural control on mineralization.

On July 11, 2023, the Company completed Phase 1 of its drilling program at Tres Marías, which began on May 24, 2023. In total, six (6) RC holes totalling 1,896 m were drilled. Samples were sent to ALS Global in Santiago, Chile for analysis and assay results are still pending receipt as at the date of this MD&A.

- **Pitbull Copper Project**

Overview

The Company entered into a mining concession purchase and sale agreement dated September 23, 2021 (the "Pitbull/Zenaida Agreement") for an aggregate purchase price of US$266,667. The Pitbull property consists of seven mining concessions located in the Tarapaca Region, El Tamarugal Province, District of Pica, Chile. The Zenaida property consist of six mining concession located in the Antofagasta Region, El Loa Province, District of Calama, Chile.

Pursuant to the terms of the Pitbull/Zenaida Agreement, the parties entered into an NSR royalty agreement granting a 1.0% NSR in favour of MMFSA from any minerals derived from each of the Pitbull Property and Zenaida Property.

Historical Exploration

The Pitbull Copper Project is an early-stage exploration group of concessions comprising 2,000 ha and located about 25 km north of Anglo American & Glencore's Collahuasi mine ("Pitbull"), which in 2019 produced more than 565 kt of fine copper with revenues of US$3.1 Billion. The group of concessions lies within the Upper Eocene-Lower Oligocene (Mid-Tertiary) Metallogenic Belt, a similar geological zone to that of Collahuasi. Initial plans at the property include a high-resolution UAV magnetometry survey over 14 sq. km, an Induced Polarization and Resistivity GSDAS (3D) over 32 linear km, a photogrammetric survey, a Magnetovariational (MVT) survey, and 3D Resistivity Inversion study. Data from these studies will determine the drill hole collar locations for a follow-on drilling campaign.

Outlook

The Company believes that this project has technical merit and warrant technical investigation, but has no immediate plans to do so.

- **Zenaida**

Overview

The Company entered into a mining concession purchase and sale agreement dated September 23, 2021 (the "Pitbull/Zenaida Agreement") for an aggregate purchase price of US$266,667. The Pitbull property consists of seven mining concessions located in the Tarapaca Region, El Tamarugal Province, District of Pica, Chile. The Zenaida property consist of six mining concession located in the Antofagasta Region, El Loa Province, District of Calama, Chile.

Pursuant to the terms of the Pitbull/Zenaida Agreement, the parties entered into an NSR royalty agreement granting a 1.0% NSR in favour of MMFSA from any minerals derived from each of the Pitbull Property and Zenaida Property.

Historical Exploration

The Zenaida Copper Project is an early-stage exploration group of concessions comprising 1,800 ha and is located on the Upper Eocene-Lower Oligocene (Mid-Tertiary) Metallogenic Belt, sharing some similarities to the geology in the Collahuasi Region ("Zenaida"). Historical geophysical results indicate the potential for mineralization and warrant further analysis and follow-up by the Company.

Outlook

The Company believes that this project has technical merit and warrant technical investigation, but has no immediate plans to do so.

- **Chuck Creek Property**

The Chuck Creek Copper-Gold Property covers 8,293 acres (33.57 sq. kilometres) and is situated in central British Columbia. The property is located within the Eagle Bay Assemblage of rocks and is surrounded on all sides by Taseko Mines' Yellowhead property, which hosts a copper-gold volcanogenic-sulphide deposit.

On June 6, 2022 (the "CCP Effective Date"), the Company entered into an option agreement to purchase all rights, title, and interest in the Chuck Creek Property from two former directors of the Company (the "Optionors"). Pursuant to the option agreement, the Company shall issue to the Optionors an aggregate of 35,000 common shares and make cash payments to the Optionors in the amount of $30,000 as follows with 50% as to each Optionor:

- Within 5 days of the CCP Effective Date	$10,000 cash (paid) 35,000 common shares (issued).
- The Earliest of: the Company's next equity financing, or	

12 months from the CPP Effective Date	$20,000 cash (paid)

Upon exercise of the option agreement, the Company shall grant a 1% net smelter royalty to the Optionors, of which 0.5% may be repurchased by the Company for $500,000.

<u>2022 Exploration program</u>

In August 2022, Interra commenced a geology program at Chuck Creek Property, collecting a series of 10 kg stream sediment samples from the Chuck Creek Property for analysis of general chemical composition, analysis of bulk leach extractable gold (BLEG), and assessment by optical microscopy. The Company retained noted glaciologist Dr. Derek Turner to complete a surficial geological map of the property.

- **Thane Property**

The Thane Property comprises 50,904 acres (206 sq. kilometers) of contiguous claims located in the Quesnel Terrane of north-central British Columbia. The northern part of the Quesnel Terrane extends from south of the Mt. Milligan Mine northward to the Kemess Mine, with the Thane Property located midway between these two copper-gold porphyry deposits. This property includes several highly prospective mineralized areas identified to date, including the "Cathedral Area" and "Gail Area" on which the Company's exploration is currently focused.

<u>*Historical Exploration*</u>

At the Thane Property, a 22-person exploration camp was setup in late June 2021 to facilitate the summer helicopter-supported exploration program. On July 5, 2021, the Company mobilized crews to the Thane Property to commence drill pad construction in preparation for a helicopter-supported diamond drill program. On July 19, 2021, Atlas Drilling Ltd. of Kamloops, BC, mobilized to the Thane Property and commenced drilling on July 20, 2021. A total of 2,783.24 meters of NQ core was drilled in twelve holes from nine drill pads with the last hole completed on August 21, 2021.

Geological and soil sampling crews mobilized to the Thane Property on July 5, 2021. Geological mapping and rock sampling was undertaken at the Pinnacle and Gail areas. Soil sampling was undertaken in preparation of induced polarization (IP) surveys at both Pinnacle and Gail, while soil sampling only was undertaken at the Mat showing.

On September 3, 2021, Peter E. Walcott & Associates Ltd. ("Walcott") mobilized to the Thane Property for seven days of IP pole-dipole surveying at the Pinnacle and Gail showings. Approximately 5 line-km's of grid was surveyed using an a-spacing of 25 meters. Earlier in the summer, Walcott completed an 8.3 km^2 helicopter airborne magnetic survey at the Cathedral Area with a line-spacing of 100 meters. The survey covered all primary showings of the area.

All core, rock and soil samples were submitted to ALS Canada Ltd. for sample preparation and analysis. A total of 2,398 core samples were analyzed for multi-element ICP by a four-acid digestion with a MS finish, while multi-element ICP by aqua regia digestion with a MS finish was undertaken on the 182 soil samples and 73 rock samples. All samples were analyzed for gold by geochemistry methods and all over-limits were assayed. Sample preparation was undertaken at ALS's preparation facility in Kamloops, BC with analytical work undertaken at ALS' North Vancouver office.

During the year ended December 31, 2022, the Company have negotiated the First Nation Agreement with Tsay Keh Dene First Nation that supports further exploration, site activities and cooperation at Thane. Plans for 2023 at Thane include continued analysis of the extensive data set, geophysics work, and sampling completed to refine the next phase of work at the Thane project. Market conditions and capital funding success will determine the level or work at Thane; with the proposed merger transaction - desktop work is a likelihood in the budget, but further capital will be required to activate new site-based exploration work.

Outlook

The Company believes that this project has technical merit and warrants further technical investigation, but has no immediate plans to do so.

QUALIFIED PERSON

The scientific and technical information contained in this MD&A has been reviewed and approved by Dr. Scott Jobin-Bevans (P.Geo., PhD, PMP), Principal Geoscientist and Managing Director at Caracle Creek Chile SpA and an independent consultant and Qualified Person as defined in National Instrument 43-101 *Standards of Disclosure for Mineral Projects*.

CHANGE IN MANAGEMENT

- On March 31, 2023, on completion of the Transaction, Christopher Buncic was appointed President, Chief Executive Officer, and Director of the Company. Jason Nickel moved from his previous role as Chief Executive Officer to Chief Operating Officer, Richard Gittleman was appointed as an Independent Director.

- On June 27, 2023, the Company appointed Mike Ciricillo, Dr. Mark Cruise, and Rich Levielle to the Board of Directors; Paul Robertson was appointed as the Company's Chief Financial Officer.

RESULTS OF OPERATIONS

For the three months ended June 30, 2023 compared with the three months ended June 30, 2022

The Company reported a net loss and comprehensive loss of $634,328 compared to $37,848 in the prior year comparable period. The primary drivers of this increase in the net loss were as follows:

- Consulting fees increased to $73,419 compared to $3,000 in the prior year comparable period due to consulting agreements entered into with Bull Markets Media GmbH and Cor Capital Inc.
- General and administrative expenses increased to $20,678 compared to $6,092 in the prior year comparable period due to increased supporting services for the Alto Verde Transaction and the Private Placement during the current period.
- Management and directors' fees increased to $101,488 compared to $55,926 in the prior year comparable period primarily due to increased management services associated with the Alto Verde Transaction and the Private Placement during the current period.
    - Management fees of $50,000 (June 30, 2022 - $nil) was paid to the current CEO, President and Director (related party);
    - Management fees of $10,500 (June 30, 2022 - $18,375) was paid to the current COO, Director and former CEO (related party);
    - Management fees of $31,300 (June 30, 2022 - $19,039) was paid to the former CFO (related party);
    - Management fees of $5,710 (June 30, 2022 - $9,000) was paid to the former Corporate Secretary (related party); and
    - Director fees of $4,454 (June 30, 2022 - $9,512) was paid to the Company's former Directors (related party).
- Marketing expenses increased to $296,329 compared to $22,166 in the prior year comparable period due to increased marketing activities associated with the Alto Verde Transaction and the Private Placement during the current period.
- Share-based payments increased to $44,516 compared to a recovery of $149,797 in the comparative period due to the vesting of newly granted options during the current period.

Partially offsetting the increase in the net loss were decrease to expense as follows:

- Professional fees decreased to $32,493 compared to $73,046 in the prior year comparable period due to reduced legal fees incurred during the current period.

For the six months ended June 30, 2023 compared with the six months ended June 30, 2022

The Company reported a net loss and comprehensive loss of $850,186 compared to $218,053 in the prior year comparable period. The primary drivers of this increase in the net loss were as follows:

- Consulting fees increased to $79,419 compared to $4,500 in the prior year comparable period due to consulting agreements entered into with Bull Markets Media GmbH and Cor Capital Inc as well as due to the Alto Verde Transaction and the Private Placement during the current period.
  - Consulting fees of $8,500 (June 30, 2022 - $nil) was paid to the former Director (related party); and
  - Consulting fees of $2,000 (June 30, 2022 - $nil) was paid to the former VP of exploration and director (related party).
- General and administrative expenses increased to $28,384 compared to $8,517 in the prior year comparable period due to increased supporting services for the Alto Verde Transaction and the Private Placement during the current period.
- Management and directors' fees increased to $160,626 compared to $109,883 in the prior year comparable period primarily due to increased management services associated with the Alto Verde Transaction and the Private Placement during the current period.
  - Management fees of $50,000 (June 30, 2022 - $nil) was paid to the current CEO, President and Director (related party);
  - Management fees of $32,250 (June 30, 2022 - $32,030) was paid to the current COO, Director and former CEO (related party);
  - Management fees of $52,825 (June 30, 2022 - $37,336) was paid to the former CFO (related party);
  - Management fees of $14,710 (June 30, 2022 - $18,000) was paid to the former Corporate Secretary (related party); and
  - Director fees of $10,841 (June 30, 2022 - $19,793) was paid to the Company's former Directors (related party).
- Marketing expenses increased to $316,329 compared to $68,916 in the prior year comparable period due to increased marketing activities associated with the Alto Verde Transaction and the Private Placement during the current period.
- Share-based payments increased to $134,037 compared to a recovery of $114,301 in the comparative period due to the vesting of newly granted options during the current period.
- Shareholder information and Investor relations increased to $37,050 compared to $20,270 in the prior year comparable period primarily due to increased investor relations activities associated with the Alto Verde Transaction and the Private Placement during the current period.

Partially offsetting the increase in the net loss were decreases to expenses and increase to income as follows:

- Professional fees decreased to $54,165 compared to $84,144 in the prior year comparable period due to reduced legal fees incurred during the current period.
- Transfer agent, regulatory and filing fees decreased to $24,928 compared to $36,124 in the prior year comparable period due to reduced transfer agent and filing fees incurred during the current period.
- Finance income increased to $13,275 compared to $nil in the prior year comparable period. The finance income was earned on the Company's proceeds from the Private Placement.

SUMMARY OF QUARTERLY INFORMATION

	Three months ended			
	June 30, 2023 $	March 31, 2023 $	December 31, 2022 $	September 30, 2022 $
Interest income	-	13,275	-	-
Net income (loss)	(608,633)	(215,858)	(74,136)	(68,786)
Comprehensive income (loss)	(634,328)	(215,858)	(74,136)	(68,786)
Basic and diluted income (loss) per share	(0.03)	(0.02)	(0.01)	(0.01)

	Three months ended			
	June 30, 2022 $	March 31, 2022 $	December 31, 2021 $	September 30, 2021 $
Interest income	-	-	-	-
Net income (loss)	(37,848)	(180,205)	93,476	(809,229)
Comprehensive income (loss)	(37,848)	(180,205)	93,476	(809,229)
Basic and diluted income (loss) per share	(0.00)	(0.02)	0.01	(0.10)

All the Company's resource properties are in the exploration stage. The Company has not had revenue from inception and does not expect to have revenue in the near future. The Company's operating results are not seasonal in nature and have been mainly due to the amount of exploration activities in each quarter. The exploration and evaluation assets have increased significantly in Q1 2023 and Q2 2023 as a result of the Tres Marias, Pitbull and Zenaida projects acquired in the Transaction.

SELECTED INFORMATION

	For the six months ended		
	June 30, 2023 $	June 30, 2022 $	June 30, 2021 $
Operating expenses	838,316	218,053	938,243
Interest and miscellaneous income	13,275	-	-
Net loss for the period	(824,491)	(218,053)	938,259
Comprehensive loss for the period	(850,186)	(218,053)	938,259
Basic and diluted loss per share:			
- net loss	(0.05)	(0.03)	(0.13)

As at	June 30, 2023 $	December 31, 2022 $	December 31, 2023 $
Working capital	654,000	50,192	581,693
Total assets	15,312,954	6,082,805	6,524,768
Total liabilities	917,346	41,066	100,810
Share capital	15,790,742	7,616,158	7,487,958
Deficit	(6,606,731)	(5,782,240)	(5,421,265)

The fluctuation in operating expenses and corporate costs is attributable to variations in various expense items, such consulting fees, management and directors' fees, marketing expenses, professional fees, shareholder information and investor relations and transfer agent, regulatory and filing fees, which occur due to the administrative, exploration and fund-raising activities occurring during a particular period and to the availability of funds in those periods to pay for those activities. There is no seasonality to these variations, no are they indicative of any trend. As the Company became more active and undertook acquisitions during the six months ended June 30, 2023, the related expenditures and total assets increased compared to prior periods.

LIQUIDITY AND CAPITAL RESOURCES

Working capital and cashflow

As at June 30, 2023, the Company had a working capital of $654,000 (December 31, 2022 - $50,192), which included cash of $810,864 (December 31, 2022 - $58,252).

The Company's financial condition is contingent upon its ability to obtain necessary financing to explore suitable properties.

Although the Company has been successful in the past in financing its activities through the sale of equity securities there can be no assurance that it will be able to obtain sufficient financing, in the future to carry out exploration and development work on any acquired properties. The ability of the Company to arrange additional financing in the future will depend, in part, on the prevailing capital market conditions and exploration success.

Operating activities

Cash used in operating activities comprises primarily of cash spent on administrative overhead costs to support exploration and evaluation activities. During the six months ended June 30, 2023, the Company used $1,166,230 of cash in operating activities compared to $233,869 in the prior year comparable period. The increase was mainly due to the closing of the Transaction, and settlement of past and current working capital obligations.

Investing activities

During the six months ended June 30, 2023, the Company used $679,853 of cash due to capitalized exploration and evaluation expenditures primarily on the Tres Marias Copper project in Chile. The Company also paid $94,198 in connection with the Transaction.

Financing activities

During the six months ended June 30, 2023, the Company received $2,779,153 due to proceeds from private placements.

OUTSTANDING SHARE DATA

As of June 30, 2023, the Company had 22,345,600 common shares issued and outstanding (December 31, 2022 – 8,643,424) with a value of $15,908,781 (December 31, 2022 – $7,616,158).

During the six months ended June 30, 2023

- The Company issued 7,441,763 Consideration Shares with fair value of $5,953,410 for the Transaction. In connection with the Transaction, the Company issued 427,171 common shares with a fair value of $336,937 pursuant to the finder's fee agreement.

- In connection with the Transaction, prior to closing, the Company issued 5,781,722 subscription receipts at a price of $0.50 per subscription receipt for gross proceeds of $2,890,861 (the "Private Placement"). On March 31, 2023, the subscription receipts automatically converted into units of the Company. Each unit comprised one common share and one-half share purchase warrant.

Each whole warrant entitles its holder to purchase one additional common share at an exercise price of $0.75 at any time prior to March 31, 2026. The warrants are subject to an acceleration provision allowing the Company to accelerate the expiration date with a thirty-day notice period to warrant-holders in the event the common shares trade on the CSE for ten consecutive days at $1.25 or higher.

In connection with the Private Placement, the Company paid finder's fees of $91,640 and issued 57,520 common shares with fair value of $46,016 and 240,800 finder's warrants (the "Finder's Warrants") with fair value of $136,923 (collectively the "Finder's Fees"). The Finders' Fees of $274,579 were recorded as share issuance costs.

Each Finder's Warrant entitles its holder to purchase one additional common share at an exercise price of $0.75 at any time prior to March 31, 2026.

In addition, the Company incurred $20,068 share issuance costs.

- 1,734,061 warrants expired unexercised.

- On March 31, 2023, the Company granted 465,000 stock options with an exercise price of $0.80 to certain directors, officers, and consultants of the Company. The options are exercisable for a period of five years. One-fourth vest on date of grant and one-fourth will vest every six months thereafter.

Subsequent to June 30, 2023

- 5,556 options expired unexercised.

As at the date of this MD&A, the Company had the following common shares, options and warrants issued and outstanding:

- 22,345,600 common shares;
- 3,249,607 warrants with exercise prices ranging from $0.75 to $2.70; and
- 598,333 stock options with exercise prices ranging from $0.80 to $2.70.

RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

The following table discloses the total compensation incurred to the Company's key management personnel during the six months ended June 30, 2023 and 2022:

	For the six months ended	
	June 30, 2023	**June 30, 2022**
	$	**$**
Chris Buncic, CEO, President and Director		
Management fees	50,000	-
Oliver Foeste, Former CFO (1)		
Management fees	52,825	37,336
Share-based payments (recovery)	7,207	(19,553)
	60,032	**17,783**

Jason Nickel, COO, Director and Former CEO (2)		
Management fees	32,250	32,030
Share-based payments (recovery)	25,942	(19,553)
	58,192	**12,477**
Dr. Thomas Hawkins, Former VP of Exploration and Director		
Director fees	1,933	-
Consulting fees	2,000	-
Share-based payments	27,384	-
	31,317	**-**
David McAdam, Former Director (3)		
Director fees	5,042	5,051
Consulting fees	8,500	-
Share-based payments (recovery)	28,824	(19,553)
	42,366	**(14,502)**
Scott Young, Former Director		
Director fees	3,866	-
Share-based payments	27,384	-
	31,250	**-**
Janet Francis, Former Corporate Secretary (4)		
Management fees	14,710	18,000
Christopher Naas, Former COO (5)		
Management fees	-	2,000
Exploration expenditures	-	58,027
General and administrative expenses	-	1,122
Share-based payments (recovery)	-	(16,013)
	-	**45,136**
David McMillan, Former Director		
Director fees	-	768
Share-based payments (recovery)	-	(17,006)
	-	**(16,238)**
Gordon Neal, Former Director		
Director fees	-	3,872
Share-based payments (recovery)	-	(16,188)
	-	**(12,316)**
Greg Hawkins, Former Director		
Director fees	-	5,051
	-	**5,051**
Samir Patel, Former Director		
Director fees	-	5,051
	-	**5,051**
TOTAL	**332,974**	**105,184**

1) Paid and/or payable to Invictus Accounting Group LLP which is controlled by Mr. Oliver Foeste.
2) Paid and/or payable to JWolf Capital Corp. which is controlled by Mr. Jason Nickel.
3) Paid and/or payable to First Line Consultants Ltd. which is controlled by Mr. David McAdam.
4) Paid and/or payable to Keystone Corporate Services Inc. which is controlled by Ms. Janet Francis.
5) Paid and/or payable to CSN Enterprises Ltd. which is controlled by Christopher Naas.

As at June 30, 2023, $69,307 (December 31, 2022 – $nil) was included in accounts payable and accrued liabilities for amounts due to related parties. The amounts due are unsecured, due on demand and are non-interest bearing.
Key management includes directors and officers of the Company. Other than the amounts disclosed above, there was no other compensation paid or payable to key management for employee services for the reported periods.

OFF-BALANCE SHEET ARRANGEMENTS

As of June 30, 2023, and the date of this MD&A, the Company did not have any off-balance sheet financing arrangements.

PROPOSED TRANSACTIONS

The Company has no undisclosed proposed transactions as at June 30, 2023 or at the date of this MD&A.

CRITICAL ACCOUNTING ESTIMATES

The financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, the financial statements have been prepared using the accrual basis of accounting except for cash flow information.

NEW ACCOUNTING STANDARDS

There were no new or amended IFRS pronouncements effective January 1, 2023 that impacted the Company's unaudited condensed consolidated interim financial statements for the six months ended June 30, 2023.

COMMITMENTS

The Company does not have any significant commitments except for the mineral property commitments noted above under Mineral Properties.

CONTINGENCIES

The Company's exploration activities are subject to various federal, provincial and international laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

The Company is, from time to time, involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay damages in any form by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

FINANCIAL INSTRUMENTS

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash, amounts receivable and reclamation deposits.

The Company's cash is held at a large Canadian and Chilean financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk concentration with respect to these financial instruments is remote. Cash based in Canada and Chile are accessible. The Company's amounts receivable balance does not represent significant credit exposure as it is principally due from the Government of Canada.

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

As at June 30, 2023, the Company had cash of $810,864 and accounts payable and accrued liabilities of $917,346. All accounts payable and accrued liabilities are current.

c) Foreign currency risk

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars ("CA$"). The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's cash, amounts receivable, deposits and accounts payable and accrued liabilities are held in CA$, United States dollar ("US$") and Chilean Peso ("CLP"); therefore, US$ and CLP accounts are subject to fluctuation against the CA$.

The Company's financial instruments were denominated as follows as at June 30, 2023:

	CA$	**US$**	**CLP**
Cash	803,899	4,852	340,354
Amounts receivable	73,600	-	-
Reclamation deposits	25,000	-	-
Value-added tax receivable	-	-	66,808,388
Accounts payable and accrued liabilities	(416,065)	(7,507)	(297,843,084)
	486,434	**(2,655)**	**(230,694,342)**
Rate to convert to $1.00 CA$	1.00	1.32	0.00
Equivalent to CA$	**486,434**	**(3,504)**	**(380,593)**

Based on the above net exposures as at June 30, 2023, and assuming that all other variables remain constant, a 10% change of the CA$ against the US$ and CLP would change profit or loss by approximately $38,000.

RISKS AND UNCERTAINTIES

For a detailed listing of the risk factors faced by the Company, please refer to the Company's MD&A for the years ended December 31, 2022 and 2021 and the Company's most recently available Annual Information Filing on SEDAR (www.sedar.com)

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying interim financial statements of the Company and the MD&A have been prepared by and are the responsibility of management.

ADDITONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

A summary of the Company's operating expenses is as follows:

	For the three months ended		For the six months ended	
	June 30, 2023 $	June 30, 2022 $	June 30, 2023 $	June 30, 2022 $
Expenses				
Consulting fees	73,419	3,000	79,419	4,500
Depreciation	518	-	518	-
General and administrative expenses	20,678	6,092	28,384	8,517
Management and directors' fees	101,488	55,926	160,626	109,883
Marketing expenses	296,329	22,166	316,329	68,916
Professional fees	32,493	73,046	54,165	84,144
Share-based payments (recovery)	44,516	(149,797)	134,037	(114,301)
Shareholder information and investor relations	16,050	8,621	37,050	20,270
Transfer agent, regulatory and filing fees	20,832	18,794	24,928	36,124
Travel	2,860	-	2,860	-
Total expenses	**(609,183)**	**(37,848)**	**(838,316)**	**(218,053)**

An analysis of material components of the Company's operating expenses is disclosed above in the "Results of operations" section of this MD&A. An analysis of the material components of the mineral property acquisition costs and mineral exploration costs are disclosed in the notes to the interim financial statements for the six months ended June 30, 2023 and 2022.