marimaca
COPPER CORP.

TSX: MARI

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three and six months ended June 30, 2025 and 2024

*This Management's Discussion and Analysis ("**MD&A**") of the financial position and results of operations of Marimaca Copper Corp. ("**Marimaca Copper**" or the "**Company**") has been prepared based on information available to the Company as at August 12, 2025, and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and the related notes for the three and six months ended June 30, 2025 and June 30, 2024, which are prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting. Since the unaudited condensed interim consolidated financial statements do not include all disclosure required by IFRS Accounting Standards for annual statements, they should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended December 31, 2024, combined with the MD&A for the year ended December 31, 2024. The condensed interim consolidated financial statements and MD&A are presented in U.S. dollars. Reference herein of $ is to the United States dollars and C$ is to the Canadian dollar.*

Readers are cautioned that the MD&A contains forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the "Cautionary Statement on Forward-Looking Information" at the end of this MD&A and to consult Marimaca Copper's Financial Statements for the three and six months ended June 30, 2025, and the corresponding notes to the Financial Statements which are available on our website at www.marimaca.com and on SEDAR+ at www.sedarplus.ca.

Additional information related to Marimaca Copper, including our Annual Information Form ("AIF"), is available under the Company's profile on SEDAR+ at www.sedarplus.ca and the Company's website at www.marimaca.com.

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Where we say "we," "us," "our," the "Company," or "Marimaca," we mean Marimaca Copper Corp. or Marimaca Copper Corp. and/or one or more or all of its subsidiaries, as it may apply. The following abbreviations are used to describe the periods under review throughout this MD&A:

Abbreviation	Period	Abbreviation	Period
Q1 2025	January 1, 2025 – March 31, 2025	**Q1 2024**	January 1, 2024 – March 31, 2024
Q2 2025	April 1, 2025 – June 30, 2025	**Q2 2024**	April 1, 2024 – June 30, 2024
Q3 2025	July 1, 2025 – September 30, 2025	**Q3 2024**	July 1, 2024 – September 30, 2024
Q4 2025	October 1, 2025 – December 31, 2025	**Q4 2024**	October 1, 2024 – December 31, 2024
YTD 2025	January 1, 2025 – June 30, 2025	**YTD 2024**	January 1, 2024 – June 30, 2024

1 Overview

Marimaca Copper is a Canadian publicly-listed exploration and development company focused on exploring for and developing new copper deposits in Chile. The Company's shares are traded on the Toronto Stock Exchange ("TSX") under the symbol "MARI", and in the Australian Securities Exchange ("ASX") under the ticker "MC2" and its shares are settled on the ASX in the form of CHESS Depositary Interests ("CDIS").

The Company's principal asset is the Marimaca Project, a copper deposit located in the Antofagasta Region of northern Chile. The Company released an updated Mineral Resource Estimate for the Marimaca Project in May 2023. The Company's current technical report (the "**2023 MRE**") for the Marimaca Project is dated May 18, 2023, and is the technical report most recently filed on SEDAR+ at www.sedarplus.ca under the Company's profile.

The Company continues to focus on the development of the Marimaca Project while concurrently exploring its extensive land holding for additional copper mineralization. This larger area is referred to as the Marimaca District.

2 Highlights

The following are Q2 2025 highlights:

- The Company commenced quotation on the ASX on April 2nd 2025. Shares of the Company trade under the ticket MC2 and will be traded in the form of CHESS Depositary Interests ("**CDIs**"). Each CDI will be equivalent to one fully paid common share of the Company.
- On April 15, 2025, the Company announced results from the re-interpretation of data in the Pampa Medina Project Area ("Pampa Medina") that is located approximately 25km from the Company's flagship Marimaca Oxide Deposit ("MOD"). Based on the extensive work completed, including the new drilling results extending Pampa Medina, the Company believes that Pampa Medina may be the central part of a larger manto system. This new interpretation led to the discovery of the new, shallow, oxide opportunity at Pampa West. Based on these results, the Company will continue with its strategy of large-scale step-out holes from known mineralization, and deep sulphide-target drilling to try to identify the limits of the system.
- On May 15, 2025, the Company announced the extension of Pampa Medina Norte Discovery. Highlights include the intersection at 68m at 1.20% and 40m at 1.07% CuT in Dominantly Oxides with Assays Pending for Deep Sulphide Extension.
- On June 13, 2025, the Company completed a non-brokered private placement comprised on two tranches totalling of 5,311,416 Shares at a price of C$4.60 per Unit for gross proceeds of C$24.4 million ($17.9 million) with net proceeds of C$23.9 million ($17.4 million). Assore International Holdings Limited ("AIH") and Ithaki Limited ("Ithaki") each subscribed for 2,250,000 common shares of the Company at a price of C$4.60 per Share for total gross proceeds to the Company of approximately C$20,700,000 ("Tranche 1").An additional institutional investor together with its affiliates subscribed on the same terms as AIH and Ithaki for an additional 811,416 Shares ("Tranche 2") for total gross proceeds of C$3,732,514.
- On July 3, 2025, the Company announced significant, high grade, sediment-hosted copper sulphide and oxide intersections which materially extend the Pampa Medina deposit in all directions.

Corporate

Mineral Resource Estimate

On May 18, 2023, the Company released the 2023 MRE for the MOD. The 2023 MRE incorporated 28,374m of new drilling data completed since the 2022 Mineral Resource Estimate (the "**2022 MRE**") released in October 2022. The 2023 MRE database consists of 139,164m across 554 drill holes completed since discovery of the MOD in 2016. New drilling data captured in the 2023 MRE was largely targeted at conversion of Inferred Resources to the Measured and Indicated ("M&I") categories.

The 2023 MRE reflected a 44% increase in M&I Resource tonnes to 200Mt at 0.45% CuT for 900kt of contained copper, with an Inferred Resource of 37Mt at 0.38% CuT for 141kt of contained copper.

The 2023 MRE was prepared in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards and National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"). (See Marimaca section below).

Transfer of Rayrock

By means of an agreement dated March 18, 2022, the Company sold and transferred 100% of the equity interest of its wholly-owned indirect subsidiary Minera Rayrock Limitada (currently Minera Cobre Verde SpA "MCV"), owner of the Ivan plant, to non-related parties 5Q SpA ("5Q") and Fondo de Inversiones Privado Neith ("FIP"), for an aggregate amount of $10.3 million, to be paid according to the payment schedule agreed thereby (the "Purchase Price"). In December 2023, FIP transferred its stake in MCV to Cobres y Metales SpA ("CyM"). As a result thereof, 5Q and CyM remained liable before the Company for payment of the Purchase Price. As of the date hereof, the Company has received $0.5 million as part of the Purchase Price.

On December 29, 2023, the Company, 5Q and CyM signed a Memorandum of Understanding ("MOU") to amend the Purchase Price's payment schedule, and agreed to a single payment of $7.0 million, subject to actual payment of such amount in full no later than June 30, 2024.

On July 23, 2024, the Company has amended the MOU, which has included the Rayrock assets and common shares as guarantee, and rescheduling the contingent payment as follows:

- 1st Instalment – $2 million by August 15, 2024;
- 2nd Instalment – $2.5 million until September 30, 2024; and
- 3rd Instalment – $2.5 million not earlier than September 30, 2024, and not later than December 31, 2024.

Payment of the Purchase Price are duly secured, including pledge over MCV's shares, pledge over Ivan plant and over MCV's mining tenements located in the Antofagasta region of Chile. As of June 30, 2025, valuation of the underlying assets provided by a third party exceeds the value of the account receivable.

5Q failed to meet the first installment of the amended payment calendar, and therefore, on September 10, 2024, the Company submitted a petition for liquidation of MCV, in order to commence a liquidation process. The company is the majority creditor in the liquidation process. As a result of these events the company assessed the recoverability of the account receivable in the context of the liquidation process, and concluded that an impairment of $2.4 million as of December 31, 2024 was required. An additional impairment of $0.4 million was recognized in Q2 2025 due to delays in the timing of the liquidation process impacting the valuation of the recoverable amounts, offset by interest accretion of $0.3m.

3 Outlook

The company continues to advance the Definitive Feasibility Study ("**DFS**") led by Ausenco Chile Limitada, which is on track for completion in August 2025. Marimaca submitted the MOD environmental permit application on December 27th, 2024, and received its Consolidated Report of Requests for Clarifications, Corrections and/or Additions (ICSARA, by its acronym in Spanish) on February 14th, 2025 - marking the first key milestone in the permitting process. The Company responded on July 17, 2025 and remains optimistic about receiving the Environmental Approval Resolution (**RCA**, by its acronym in Spanish) by late 2025.

As part of its two-pronged strategy, Marimaca is de-risking the MOD while continuing to expand its exploration footprint. Near-mine exploration is targeting sulphide potential below oxides and oxide extensions, while district-scale efforts focus on a 'hub and spoke' resource model to support long-term growth.

Following the consolidation of the Pampa Medina area, including Pampa Medina Main, Madrugador, Pampa Norte and the Pampa West zone: Marimaca has reinterpreted the district as a single, large-scale, sedimentary and volcanic-hosted manto copper system, extending over 5km by 4km. This marks the first time the area has been assessed holistically under a single operator, unlocking a unified geological model and leading to the identification of new oxide and deeper sulphide targets. Reconnaissance drilling and relogging of historical data have confirmed mineral continuity across key stratigraphic horizons, validating the company's revised exploration model.

Marimaca believes that Pampa Medina represents a compelling organic growth opportunity for the Company, and it will continually assess its development strategy as the exploration model and understanding of the deposit improves with additional ongoing drilling.

With a Final Investment Decision ("**FID**") targeted for the second half of 2026, Marimaca continues to expand its Owner's Team in preparation for construction.

4 Marimaca

Location & Mineral Resource Estimate

The Marimaca Project is the Company's flagship asset, which is located in the Antofagasta Region of northern Chile. The Marimaca Project is recognised for its location with access to key infrastructure points nearby. High voltage powerlines and national highways are within 14 kilometres of the Project area, and the Project is located 25 kilometres from the port of Mejillones and 45 kilometres from the regional capital of Antofagasta.

In May 2023, the Company released the 2023 MRE, which was based on 554 drill holes for a total of 139,164m drilled between 2016 and 2022. The 2023 MRE was completed by independent consultants NCL Ingeniería y Construcción SpA ("**NCL**") and verified by Mr. Luis Oviedo, a qualified person and independent of the Company (within the meaning of such terms under NI 43-101).

The 2023 MRE is summarized in the tables below:

Table 1: NI 43-101 2023 Mineral Resource Estimate (reported at a 0.15% CuT cutoff) (Effective Date: May 17,2023)[(1)]

Mineral Resource Category and Type	Quantity (kt)	CuT (%)	CuS (%)	CuT (t)	CuS (t)
Total Measured	96,954	0.49	0.28	473,912	268,628
Total Indicated	103,358	0.41	0.21	425,797	219,690
Total Measured and Indicated	**200,312**	**0.45**	**0.24**	**899,709**	**488,318**
Total Inferred	**37,289**	**0.38**	**0.15**	**141,252**	**55,802**

* Pit shell constrained resources with demonstrated reasonable prospects for eventual economic extraction (RPEEE) are generated using series of Lerchs-Grossmann pit shell optimizations completed by NCL
* CuT means total copper and CuS means acid soluble copper. Technical and economic parameters include: copper price US$4.00/lb; base mining cost of US$1.51/t with a mining cost adjustment factor of US$0.04/t-10m bench; Heap Leach "HL" processing cost US$5.94/t (incl. G&A); Run-of-Mine "ROM" processing cost US$1.65/t (incl. G&A); SX-EW processing cost and selling cost US$0.16/lb Cu; heap leach recovery 76% of CuT; ROM recovery 40% of CuT; and 42°-52° pit slope angle
* Mineral resources which are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration[(1)] Amounts in table may not foot due to rounding.

Table 2: 2023 Mineral Resource Estimate Sensitivity[(1)]

Cut-off grade (% CuT)	Measured			Indicated			Measured + Indicated			Inferred		
	Quantity kt	CuT [%]	CuS [%]	Quantity kt	CuT [%]	CuS [%]	Quantity kt	CuT [%]	CuS [%]	Quantity kt	CuT [%]	CuS [%]
0.40	44.00	0.77	0.44	37.50	0.69	0.38	81.60	0.73	0.41	12.10	0.64	0.24
0.30	60.20	0.65	0.38	55.50	0.58	0.31	115.70	0.62	0.35	18.80	0.54	0.21
0.22	77.80	0.56	0.32	77.00	0.49	0.26	154.90	0.53	0.29	27.20	0.45	0.18
0.20	83.00	0.54	0.31	83.80	0.47	0.25	166.80	0.5	0.28	30.20	0.43	0.17
0.18	88.30	0.52	0.3	91.30	0.44	0.23	179.60	0.48	0.26	33.00	0.41	0.16
0.15	97.00	0.49	0.28	103.40	0.41	0.21	200.30	0.45	0.24	37.30	0.38	0.15
0.10	113.30	0.44	0.24	127.60	0.36	0.18	241.00	0.39	0.21	46.60	0.33	0.13
0.00	146.10	0.35	0.19	178.20	0.27	0.14	324.30	0.31	0.16	72.00	0.24	0.09

* Pit shell constrained resources with demonstrated reasonable prospects for eventual economic extraction (RPEEE) are generated using series of Lerchs-Grossmann pit shell optimizations completed by NCL
* CuT means total copper and CuS means acid soluble copper. Technical and economic parameters include: copper price US$4.00/lb; base mining cost of US$1.51/t with a mining cost adjustment factor of US$0.04/t-10m bench; Heap Leach "HL" processing cost US$5.94/t (incl. G&A); Run-of-Mine "ROM" processing cost US$1.65/t (incl. G&A); SX-EW processing cost and selling cost US$0.16/lb Cu; heap leach recovery 76% of CuT; ROM recovery 40% of CuT; and 42°-52° pit slope angle
* Mineral resources which are not mineral reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration
[(1)] Amounts in table may not foot due to rounding.

Mining Property

The Company owns all the concessions that make up the Marimaca Project and any historical option agreements relating to concessions have been exercised.

Certain concessions that make up the greater Marimaca District are under option agreements as follows:

Pampa Medina

Under the terms of an October 2024 option agreement, the Company may acquire the Pampa Medina property for a total consideration of $12 million payable as follows: $0.15 million upon signing (paid); $0.35 million on the 12-month anniversary; $0.5 million on the 24-month anniversary; $1.5 million on the 36-month anniversary; $2.5 million on the 48-month anniversary, and $7.0 million on the 60month anniversary. These claims are subject to a 1.5% NSR with a clause to buy a 1.0% NSR for $2 million, exercisable within a term of 24 months from the start of commercial production.

The Company may withdraw from the Agreement at any time, before completing all the installments agreed under the Agreement. Under the terms of the option, the Company has the right to perform exploration activities on the property.

Madrugador Project

Under the terms of a December 2024 option agreement, the Company may acquire the Madrugador Project property for a total consideration of $12 million payable as follows: $0.15 million upon signing (paid); $0.25 million on the 12-month anniversary; $0.4 million on the 24-month anniversary; $1.2 million on the 36-month anniversary; $3.0 million on the 48-month anniversary, and $7.0 million on the 60 month anniversary. These claims are subject to a 1.5% NSR with a clause to buy back 1.0% of the royalty for $1.5 million at any time and a right of first refusal on any sale of the royalty to a third party.

The Company may withdraw from the Agreement at any time, before completing all the installments agreed under the Agreement. Under the terms of the option, the Company has the right to perform exploration activities on the property.

5 Financial Position Review

The Company is an exploration and development company that currently does not generate operational revenue. On June 30, 2025, the Company had cash on hand of $24.3 million (December 31, 2024 - $22.6 million), working capital of $25.6 million (December 31, 2024 – $22.7 million), total assets of $124.5 million (December 31, 2024 - $112.4 million), total liabilities of $1.7 million (December 31, 2024 - $2.8 million) and recorded a net loss of $3.9 million for Q2 2025 (Q2 2024 – loss of $1.3 million).

During Q2 2025, the Company capitalized $4.7 million (Q2 2024 - $2.1 million) to exploration and evaluation assets which was comprised of exploration activities costs.

The total liabilities of $1.7 million as of June 30, 2025 (December 31, 2024 - $2.8 million) are mainly related to accounts payable and accrued liabilities.

Liquidity

The Company is an exploration and development company that currently does not generate operational revenue. At June 30, 2025, the Company had working capital of $25.6 million (December 31, 2024 – $22.7 million), which management believes is sufficient to meet its obligations and to continue to fund operations for at least the next twelve months.

Beyond the next 12 months, the Company’s ability to continue as a going concern and to advance the Marimaca Project will be dependent upon its ability to obtain the necessary financing. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Capital Management

The capital managed by the Company includes the components of shareholders' equity as described in the consolidated statements of shareholders' equity. The Company is not subject to externally imposed capital requirements.

The Company's objectives of capital management are to create long-term value and economic returns for its shareholders. It does this by seeking to maximize the availability of finance to fund the growth and development of its mining properties, and to support the working capital required to maintain its ability to continue as a going concern. The Company manages its capital structure and adjusts it for changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its cost of capital while maintaining an acceptable level of risk. To maintain or adjust its capital structure, the Company considers all sources of finance reasonably available to it, including but not limited to the issuance of new capital, issuance of new debt and the sale of assets in whole or in part, including mineral property interests. The Company's overall strategy with respect to management of capital as of June 30, 2025, remains fundamentally unchanged from the year ended December 31, 2024.

Financial Instruments

As at June 30, 2025, the Company's carrying values of cash and cash equivalents, amounts receivable net of estimated ECL allowances, accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity. The estimated fair value of amounts receivable net of estimated ECL allowances is an estimate that involves the use of scenarios, estimates of collateral value and realization costs.

Credit risk

Credit risk is a risk that a financial loss will be incurred if a counterparty to a transaction does not fulfill its financial obligations as agreed. Financial instruments that potentially subject the Company to credit risk consist of cash, and accounts receivable, which are the maximum amounts exposed to credit risk. The Company deposits its cash with high credit quality financial institutions as determined by rating agencies. As per note note *Transfer of Rayrock* in this report, the Company has recorded an expected credit loss on the receivable as December 31, 2024.

Currency risk

Currency risk is the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign currency rates in the market. The Company's financial instruments are exposed to currency risk where those instruments are denominated in currencies that are not the same as the functional currency of the entity that holds them; foreign exchange gains and losses in these situations impact earnings.

The Company's significant subsidiaries are located in Chile and although their functional currency is the U.S. dollar, they are subject to currency risk because they maintain certain cash, amounts receivable and accounts payables and accrued liabilities in Chilean pesos. The parent company is in Canada and its functional currency is the Canadian dollar and also maintains cash and accounts payables and accrued liabilities in Canadian and U.S. dollars.

Total currency exposure from foreign currencies is equivalent to $19.9 million as at June 30, 2025 ($1.5 million as of December 31, 2024). Based on the net exposures as of March 31, 2025, and assuming that all other variables remain constant, a change of 10% in the Canadian dollar and/or Chilean peso against the US dollar would result in a change in the Company's net loss of approximately $2 million, respectively. The Company manages and monitors the currency risk on a regular basis.

As at June 30, 2025, the Company held its cash as follows:18% in U.S. dollars, 70% in Canadian dollars and 12% in Chilean pesos, with 88% of cash held in Canadian banks and 12% held in Chilean banks, as at June 30, 2025.

Interest rate risk

Interest rate risk is the risk that the fair values or future cash flows of our financial instruments will fluctuate because of changes in market interest rates. Cash and accounts receivable are the only financial instruments the Company holds that are impacted by interest. There is limited interest rate risk associated with the Company´s cash balance and accounts receivable.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Company is reliant upon equity issuances and/or loans as its sole source of cash. The Company manages liquidity risk by maintaining an adequate level of cash to meet its short-term ongoing obligations and reviews its actual expenditures and forecast cash flows on a regular basis, and matches the maturity dates of its cash equivalents to capital and operating needs. The Company's accounts payable and accrued liabilities are all payable within normal trade terms, which are typically up to a maximum of 30 days.

6 Expenditure Review

Table 3: Expenditures Summary

(In thousands of US dollars)	Three months ended June 30, 2025	2024	Six months ended June 30, 2025	2024
Expenses				
Exploration Expenditures	$ 1,575	$ 210	$ 2,337	$ 257
Depreciation and amortization	59	$ 49	$ 120	78
Legal and filing fees	234	$ 81	$ 430	118
Other corporate costs	664	$ 626	$ 1,156	990
Salaries and management fees	463	$ 298	$ 818	1,207
Salaries and corporate costs	1,127	924	1,974	2,197
Share-based compensation	1,502	$ 261	$ 2,140	$ 1,770
Operating loss	**$ (4,497)**	**$ (1,525)**	**$ (7,001)**	$ (4,420)
Finance income	111	261	269	562
Interest accretion	274	-	274	-
Foreign exchange (loss) gain	516	(68)	539	(218)
Other non-operating income	50	38	123	55
Expected credit loss	(364)	-	(364)	-
Net loss	**$ (3,910)**	**$ (1,294)**	**$ (6,160)**	$ (4,021)
Items that may be subsequently reclassified to net income:		-		
Foreign currency translation adjustment	(166)	39	(164)	24
Total comprehensive loss for the period	**$ (4,076)**	$ (1,255)	**$ (6,324)**	$ (3,997)

Three months ended June 30, 2025, compared to three months ended June 30, 2024

For the three months ended June 30, 2025, the Company recorded a net loss of $3.9 million compared to a net loss of $1.3 million in Q2 2024. The increase in the net loss in Q2 2025, compared to Q2 2024, is attributable mainly i) in exploration expenditures during Q2 2025 to $1.6 million compared to $0.2 million in Q2 2024, principally at the Mercedes and Madrugador area. ii) the increase on share-based compensation of $1.5 million in Q2 2025, associated with the vesting of granted Stock Options and RSUs granted in Q2 2025, compared to $0.3 million in Q2 2024 combined with iii) the increase in salaries and corporate costs of $0.2m due to an increase in the management team.

Table 4: Selected Quarterly Financial Information

(in thousands except per share amount) [1]	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Cash	$ **24,329**	$ **14,399**	$ 22,648	$ 28,314	$ 12,646	$ 12,685	$ 16,692	$ 18,938	$ 7,801
Total assets	**124,511**	**109,993**	112,382	113,832	96,371	94,174	95,599	97,519	83,340
Total liabilities	**1,674**	**2,024**	2,805	919	1,546	1,009	1,204	832	1,129
Shareholder's equity	**122,837**	**107,969**	109,577	112,913	94,825	93,165	94,395	96,687	82,211
Net loss	(3,910)	(2,249)	(6,385)	(3,348)	(1,294)	(2,725)	(2,883)	(451)	(2,520)
Basic and diluted (loss) income per share	$ **(0.04)**	$ **(0.02)**	$ (0.07)	$ (0.03)	$ (0.01)	$ (0.03)	$ (0.03)	$ -	$ (0.03)
Weighted Average Number Shares Outstanding	**106,486**	**105,576**	96,305	101,017	94,266	93,203	90,485	92,327	88,234
Cash used in operating activities	**(3,029)**	**(2,482)**	(1,347)	(2,193)	(731)	(1,466)	(501)	(1,005)	(1,161)
Cash provided by (used in) in financing activities	**17,423**	**(20)**	(75)	21,197	2,640	(31)	38	15,057	-
Cash provided by (used in) investing activities	**(5,030)**	**(5,859)**	(4,195)	(3,536)	(1,995)	(2,298)	(1,714)	(2,892)	(3,484)

[1] Sum of all quarters may not add up to yearly total due to rounding.

The Company does not generate operational revenues as it is an exploration and development company focused on advancing its Marimaca Project. Historically, the Company has relied on equity financings and loan instruments to fund operations. Variances between the quarterly figures presented in Table 4 are generally due to (i) the availability of cash to fund operations, (ii) the completion of any debt or equity financings in the period, and (iii) the level of exploration/development and/or care & maintenance activities which are directly correlated to the availability of cash resources.

Related Party Disclosure

Key Management Personnel

In accordance with IAS 24 – Related party disclosures, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive or non-executive) of the Company.

Table 5: Related Party Costs

	Three months ended June 30,				Six months ended June 30,			
(In thousands of US dollars)		2025		2024		2025		2024
Short-term employee benefits (1)	$	623	$	392	$	392	$	1,331
Share-based payments (2)		614		199		199		1,184
Total	$	1,237	$	591	$	591	$	2,515

(1) Includes salary, severance, benefits and short-term accrued incentives/other bonuses earned in the period.

(2) Represents the expense of stock options and restricted share units during the period

7 Outstanding Share Data Authorized and Issued

As at June 30, 2025, the number of common shares outstanding or issuable to other outstanding securities is as follows:

Common Shares	Number
Outstanding	106,485,767
Stock options (1)	5,785,001
Restricted Shares Units ("RSUs")	3,132,550
Warrants (2)	8,002,871
Total	123,406,189

(1) Stock Options have exercise prices ranging from C$3.20 to C$5.00 and expire between September 2025 and October 2028.

(2) On June 21, 2023, Marimaca announced an equity investment with Mitsubishi Corporation ("Mitsubishi"), closed on July 11, 2023. Pursuant to the Strategic Investment, Mitsubishi subscribed for an aggregate 4,640,371 units ("Units") consisting of one common share (a "Common Share") and one Common Share purchase warrant (a "Warrant") at a price of C$4.31 per Unit. Each Warrant entitles Mitsubishi to purchase one additional Common Share at an exercise price of C$5.60 for a period of 24 months following the closing.

(2) On July 16, 2024, The Company announced an equity investment with Assore International Holdings Limited ("AIH") and an investment by an additional investor (the "Additional Private Placement" and together with the AIH Investment, the "Private Placements"), which closed on August 7, 2024.Pursuant to the Private Placements, AIH acquired an aggregate 5,725,000 units ("Units") of the Company consisting of one common share of Marimaca (each, a "Common Share") and one half of one Common Share purchase warrant (each whole Common Share purchase warrant a "Warrant") at a price of C$4.50 per Unit. The additional investor acquired an aggregate 1,000,000 Units at a price of C$4.50 per Unit. Each Warrant will entitle AIH and the additional investor to purchase one additional Common Share at an exercise price of C$5.85 for a period of 18 months following the closing of the AIH Investment or the Additional Private Placement, as applicable.

8 Critical Accounting Estimates

Estimates, judgements and assumptions

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the financial statements.

a) Impairment of exploration and evaluation assets

The application of the Company's accounting policy for impairment of exploration and evaluation assets requires judgement to determine whether indicators of impairment exist, including factors such as: the period for which the Company has the right to explore has expired or will expire in the future, and is not expected to be renewed; substantive expenditures on exploration activities and evaluation of mineral resources in the specific area is neither budgeted or planned; exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources; and sufficient data exists to indicate that the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. Management has assessed for impairment indicators on the Company's exploration and evaluation assets and has concluded that no impairment indicators exist as of June 30, 2025.

b) Expected credit losses

Accounts receivables are recorded at fair value on initial recognition and amortised cost on subsequent remeasurement. The carrying amounts for accounts receivable are net of lifetime expected credit losses ("ECL"). Estimating the ECL allowance for receivables requires management to exercise judgment in selecting estimation techniques, choosing key inputs, and making significant assumptions about future economic conditions and customer credit behaviour, including the probability of customer defaults and potential losses.

Management uses historical data to calculate the ECL for accounts receivables. Adjustments are made based on current and future economic conditions and specific risks for individual debtors. Significant judgment is required for these adjustments. Additionally, large and aging receivable balances need careful assessment for impairment provisions at the reporting date.

As at June 30, 2025, the Company's receivable related to an outstanding balance from the sale of Minera Rayrock Limitada in 2022 for which the Company has security over the exploration property rights held by the entity in the event of non-payment of the agreed upon sales consideration. Following non-payment of the receivable on the due date, a liquidator was appointed for Minera Rayrock Limitada. Further details on the ECL scenarios and key assumptions in the estimation of an expected credit loss are disclosed in note Transfer of Rayrock in this report. Although the Company has made its best estimates. Such estimates are subject to inherent uncertainty and differences in what the Company may realize could be significant.

c) Share-based compensation

The Company applies the fair value method of accounting for share-based payment awards. Share options are measured using the Black-Scholes model to determine the fair value of stock-options granted to employees, consultants and directors. The model includes significant assumptions as to the estimated life of the stock options, the forfeiture rate and the volatility of the stock. The Company uses historical data to estimate the expected future volatility of the stock, the estimated lives of the stock options and the forfeiture rate.

Stock options granted might include performance conditions related to the achievement of specified performance targets or a milestone and might pertain either to the performance of the Company as a whole or to some part of the enterprise, such as a subsidiary. The measurement of compensation costs for a stock-based award with a performance condition that will determine the number of options or shares to which all employees receiving the award will be entitled, is based on the best estimate of the outcome of the performance condition. Management assesses all the factors and uses its judgment to calculate these estimates.

d) *New and Amended Standards Not Yet Adopted by the Company*

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have therefore not been summarised in these interim financial statements.. The following have standard has not yet been adopted.

IFRS 18, Presentation and Disclosure in Financial Statements

The IASB issued the IFRS 18, Presentation and Disclosure in Financial Statements, which is mandatory for accounting periods after January 1, 2027. The Company is currently assessing the impact of this new IFRS Accounting Standard on its financial statements and will update the Company's accounting policies as applicable.

Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7)

The amendments establish that financial assets and liabilities will be recognized and derecognized at the settlement date, except for regular-way purchases or sales meeting specific criteria for a new exception. This allows companies to opt for early derecognition of certain financial liabilities settled via electronic payment systems.

The amendments also provide guidelines for assessing the cash flow characteristics of financial assets, covering all contingent cash flows, including those related to environmental, social, and governance (ESG) features. Additionally, new disclosure requirements are introduced along with updates to existing ones.

This amendment is effective for annual periods beginning on or after January 1, 2026. The impact of these amendments on the Company's financial statements has not yet been evaluated.

9 Risk Factors

The Company faces a number of challenges in developing its project, including various business, financial, and operational risks that could significantly impact its cash flows. The most significant risks and uncertainties faced by the Company include:

- Operational Risks
- Exploration Risk
- Estimates of Mineral Resources
- Foreign Political Risk
- Permits
- Government Regulation
- Environmental Risks
- Management
- Conflicts of Interest
- Infrastructure
- Insurance
- Competition
- The Company is Subject to Certain Risks as an Emerging-Market Issuer
- The Company's Operations Rely on the Availability of Local Labor and Equipment
- Additional Funding and Dilution
- Commodity Prices
- No History of Dividends
- Currency Risk
- The Company May be Involved in Legal Proceedings
- Community Relations and Social License to Operate
- Price Volatility of Publicly Traded Securities
- Climate Change, Natural and Other Disasters
- Evolving Corporate Governance and Public Disclosure Regulations

Readers are encouraged to read a full outline and description of the risk factors described in the Company's Annual Information Form ("AIF") for the year ended December 31, 2024, filed on SEDAR+ under the Marimaca Copper Corp profile. The occurrence of any one or a combination of the aforementioned risks could materially adversely impact the Company's business, and as a result, the trading price of the Company's common shares could decline, and investors could lose part or all of their investment.

10 Disclosure

Internal Control over Financial Reporting and Disclosure Controls

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards. The Company's internal control framework was designed based on the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Disclosure controls and procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all relevant information required to be disclosed by the Company is accumulated and communicated to senior management as appropriate to allow timely decisions regarding required disclosure. The Company's CEO and CFO have concluded, based on their evaluation of the design of the disclosure controls and procedures, that as of June 30, 2025, the Company's disclosure controls and procedures have been designed to provide reasonable assurance that material information is made known to them by others within the Company.

Internal controls over financial reporting

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of consolidated financial statements in compliance with IFRS Accounting Standards. The Company's internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that accurately and fairly reflect the transactions of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with IFRS Accounting Standards;
- ensure the Company's receipts and expenditures are made only in accordance with authorization of management and the Company's directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized transactions that could have a material effect on the consolidated financial statements.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

There have been no changes in the Company's internal control over financial reporting during the three months ending March 31, 2025, that have materially affected, or are reasonably likely to affect, the Company's internal control over financial reporting.

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

11 Cautionary Statement on Forward Looking Information

Certain information provided in this MD&A and any documents incorporated by reference herein may constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information in this MD&A and any documents incorporated by reference herein includes but is not limited to information with respect to:

· expectations regarding the financial position of the Company, production targets, industry growth and other trend projections, future strategies, results and outlook of the Company and the opportunities available to the Company;.
· the future price of minerals, particularly copper;
· estimations of mineral reserves and mineral resources;
· conclusions of economic evaluation;
· the realization of mineral reserve estimates;
· the timing and amount of estimated future production;
· costs of production;
· capital expenditures;
· success of exploration activities;
· mining or processing issues;
· currency exchange rates;
· government regulation of mining operations; and
· environmental and permitting risks.

Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "outlook", "scheduled", "target", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information is based on management's expectations and reasonable assumptions and judgments at the time such statements are made. Estimates regarding the anticipated timing, amount and cost of exploration and development activities are based on assumptions underlying mineral reserve and mineral resource estimates and the realization of such estimates are set out herein. Capital and operating cost estimates are based on extensive research of the Corporation, purchase orders placed by the Corporation to date, recent estimates of construction and mining costs and other factors that are set out herein. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include:

· uncertainties of mineral resource estimates;
· risks and uncertainties inherent in and relating to estimates of future production and operations, cash and all-in sustaining costs;
· the nature of mineral exploration and mining;
· variations in ore grade and recovery rates; cost of operations;
· fluctuations in the sale prices of products;
· foreign currency fluctuations;
· volatility of mineral prices (including copper prices);
· exploration and development risks;
· liquidity concerns and future financings;
· risks associated with operations in foreign jurisdictions;
· potential revocation or change in permit requirements and project approvals, including uncertainties relating to regulatory procedure and timing for permitting reviews;
· mining operations including but not limited to environmental hazards, industrial accidents, ground control problems and flooding;
· geology including, but not limited to, unusual or unexpected geological formations and events (including but not limited to rock slides and falls of ground), estimation and modelling of grade, tonnes, metallurgy continuity of mineral

deposits, dilution, and mineral resources and mineral reserves, and actual ore mined or metal recoveries varying from such estimates;
· mine life and life-of-mine plans and estimates;
· the possibility that future exploration, development or mining results will not be consistent with expectations;
· the potential for and effects of labour actions, disputes or shortages, community or other civil protests or demonstrations or other unanticipated difficulties with or interruptions to operations;
· potential for unexpected costs and expenses including, without limitation, for mine closure and reclamation at current and historical operations;
· uncertain political and economic environments;
· changes in laws or policies, foreign taxation, delays or the inability to obtain and maintain necessary governmental approvals and permits;
· regulatory investigations, enforcement, sanctions or related or other litigation;
· competition;
· no guarantee of titles to explore and operate;
· environmental liabilities and regulatory requirements;
· dependence on key individuals;
· conflicts of interests;
· insurance;
· fluctuation in market value of the Company's common shares;
· rising production costs;
· availability of equipment material and skilled technical workers;
· volatile current global financial conditions;
· the potential impact of the COVID-19 pandemic on the Company and/or its operations, and the mining industry and currency fluctuations;
· the potential impact of future or existing global and regional conflicts, including developments or escalation in the Russia/Ukraine war and Israel/Hamas conflict on the Company's and/or its operations, the mining industry and/or the currency and commodity fluctuations; and
· other risks pertaining to the mining industry, as well as those factors discussed in the section entitled "Risk Factors" in the MD&A.

Statements regarding the Company's planned DFS on the Project are also forward-looking information and may not be realized. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information in this MD&A are made as of the date of this MD&A or as of the date of the documents incorporated by reference, as the case may be, and the Company does not undertake to update any such forward-looking information, except in accordance with applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers are cautioned not to place undue reliance on forward-looking information. The forward-looking information contained in this MD&A and each of the documents incorporated by reference herein is presented for the purpose of assisting persons in understanding the financial position, strategic priorities and objectives of the Company for the periods referenced and such information may not be appropriate for other purposes.

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