



**MANAGEMENT DISCUSSION AND ANALYSIS**

For the Nine-Month Period Ended September 30, 2023

## 1. INTRODUCTION

Mundoro Capital Inc. (“Company”, “MCI”, and “Mundoro”) was incorporated on March 6, 2008 under the Business Corporations Act of the Province of British Columbia. The Company’s common stock is quoted on the TSX Venture Exchange (“TSXV”) under the symbol MUN. The Company’s head office and principal address is 14th floor - 1040 West Georgia Street, Vancouver, British Columbia, Canada V6E 4H1.

This management discussion and analysis (“MD&A”) should be read in conjunction with the Company’s audited consolidated financial statements and supporting notes for the fiscal year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (“IFRS”).

This document has been reviewed by the Audit Committee of the Board of Directors of the Company and has been approved by the Board of Directors on November 28, 2023. All amounts are expressed in Canadian dollars unless otherwise indicated.

Additional information relating to Mundoro is available on our website at [www.mundoro.com](http://www.mundoro.com) and on the Canadian Securities Administrators website at [www.sedarplus.ca](http://www.sedarplus.ca).

## 2. FORWARD LOOKING STATEMENTS

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as “plans”, “intends”, “anticipates”, “should”, “estimates”, “expects”, “believes”, “indicates”, “suggests” and similar expressions.

This MD&A and in particular the “Outlook” section, contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties, and other factors. It is important to note that:

- Unless otherwise indicated, forward-looking statements in this MD&A describe the Company’s expectations as of November 28, 2023.
- Readers are cautioned not to place undue reliance on these forward-looking statements as the Company’s actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company’s business, or if the Company’s estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking statements will materialize.
- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or any other reason.

The material assumptions that were applied in making the forward-looking statements in this MD&A include: expectations as to the Company’s future strategy and business plan; and execution of the Company’s existing plans, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans.

For a description of material factors that could cause the Company’s actual results to differ materially from the forward-looking statements in this MD&A, please see “Risks and Uncertainties”.

### 3. SUMMARY OF ACTIVITIES

#### **DESCRIPTION OF BUSINESS AND STRATEGY**

Mundoro Capital Inc. (“**Mundoro**”) is a Canadian listed (TSXV: MUN | OTCQB: MUNMF) royalty generator with a portfolio of projects focused on base metal and precious metal properties that can generate royalties and near-term payments. To drive value for shareholders, Mundoro has generated a portfolio of mineral properties primarily focused on copper (“**Cu**”) and gold (“**Au**”) systems in Serbia, Bulgaria and the USA.

Potential future returns for our shareholders from the Company’s mineral properties can be in various forms such as discovery of mineral resources, royalty payments, advance royalty payments, operator fees, option payments, property payments, milestone payments, an interest in production, dividend payments or sale of our interest in a mineral property.

Mundoro’s business model is to leverage our expertise in identifying emerging exploration regions for exploration and packaging properties with exploration targets that are attractive to mining companies to form joint ventures, strategic alliances, options and conduct asset sales. From 2015 to 2023, Mundoro has signed various transactions with partners as summarized below:

- Mundoro announced the Company entered into an agreement with BHP Group Limited (“**BHP**”) whereby BHP can earn-in to five (5) of the Company’s properties and three exploration areas under application in Serbia.
- Mundoro and Kinross Gold Corporation (“**Kinross**”) entered into an option agreement for the Company’s GT7 property. The GT7 property is a copper-gold target located in the northern portion of the Serbo-Macedonian Metallogenic province, in central Serbia.
- Mundoro and Japan Oil, Gas and Metals National Corporation (“**JOGMEC**”) entered into an earn-in agreement for the exploration of the EE1 project, a sediment-hosted copper system in Bulgaria.
- Mundoro and Vale Canada Limited (“**Vale**”) entered into a generative alliance in 2022 to focus on generation of new projects with high potential to host porphyry copper and other related metals deposits within Arizona and New Mexico.
- Mundoro entered into an option agreement with **Vale** in 2022, granting Vale an earn-in option for the Picacho project, a copper focused property in Arizona.
- Mundoro entered into an option agreement with **Vale** in 2021, granting Vale an earn-in option for the Dos Cabezas project, a copper focused property in Arizona.
- Mundoro entered into an option agreement with **Vale** in 2020, granting Vale an earn-in option for the exploration licenses, Odej, Bobot, Odej South, and Gramada, all located within the Timok Magmatic Complex in northeastern Serbia.
- Mundoro and **JOGMEC** formed a strategic alliance for generative exploration for copper in Bulgaria in 2019.
- Mundoro entered into an earn-in agreement with **Vale** in 2018, granting Vale an earn-in option on four (4) exploration licenses located within the Timok Magmatic Complex.
- Mundoro and **Freeport-McMoRan Exploration Corporation**, had an earn-in agreement between 2018 to 2020 granting Freeport an earn-in option on two (2) exploration licenses located within the southern portion of the Timok Magmatic Complex.
- Mundoro optioned to **ESAN** the Saje Project for exploration drilling during 2018.
- Mundoro and **JOGMEC** had an earn-in agreement between 2016 and 2023, granting JOGMEC an earn-in option on four (4) exploration licenses, located within the northern portion of the Timok Magmatic Complex.
- Mundoro and **First Quantum Minerals Limited** had an earn-in agreement in 2015 granting First Quantum an option to earn-in to four (4) exploration licenses in the southern portion of the Timok Magmatic Complex.

**SERBIA PORTFOLIO SUMMARY OF EXPLORATION AND OUTLOOK**

In the Republic of Serbia (“Serbia”), Mundoro methodically applied for a district-scale land position in the prolific Timok Magmatic Complex which hosts significant copper-gold deposits. The Serbian exploration properties are located near the town of Bor, a mining community which services various mining operations, both open pit and underground, as well as a smelting and processing facility. The area has good infrastructure, well serviced roads and grid power.

The Company holds through its Serbian subsidiaries, the following 100%-owned exploration licenses: Crvena Zemlja, Padina, Odej, Bobot, Odej South, Gramada, Oblez, Skorusa, Branik, Kotlenik (GT7), Ponor, Vitanovac, Trstenik and Lipovica. These properties are located primarily in Northeastern Serbia, east of Belgrade, and are primarily within the well-known Timok Magmatic Complex, a segment of the Tethyan Metallogenic Belt which runs from Eastern Europe to Southeast Asia. The western portion of the Tethyan Belt hosts significant copper-gold porphyry deposits (Bor, Majdanpek, Veliki Kreveli, etc.) and related copper-gold epithermal deposits (Bor, Cukaru Peki, Chelopech, etc.).

The timing of Exploration Plans are estimates, which can be affected by factors such as weather.

***Vale-Mundoro Projects – Central Timok***

In October 2019, Mundoro entered into an earn-in agreement with Vale in which Mundoro granted to Vale an option to earn-in to four of Mundoro’s exploration licenses located within the central portion of the Timok Magmatic Complex. The parties received government approvals in 2020 and 2021 and subsequently commenced exploration activity under the earn-in agreement which is sole-funded by Vale.

**Skorusa**

- The Skorusa license is a 88.5 sq.km area located 5 km southwest of the Bor Mine Complex and is adjacent on the west side of Zijin’s Cukaru Peki deposit where mining operations commenced in 2021.
- The Skorusa copper-gold porphyry system was partially tested in 2015 and 2016 in two separate drill campaigns, with exploration primarily concentrated in the Skorusa West Zone.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.
- A Phase II drill program was completed in Q3-2023 at Skorusa that followed up on previous AMT geophysical anomalies and down dip mineralization at depth from the East Zone. The program drilled 1004.4 m in a single drill hole. Assay results are expected in Q4-2023.

*Exploration Plans for the remainder of 2023*

- A soil geochemical survey is planned for Q4-2023 to cover the western extension of the license area. Assay results are expected in Q4-2023.
- Rock chip sampling is planned to follow up soil geochemistry anomalies in Q4-2023.

**Oblez**

- The Oblez license totals 91 sq.km and is located directly southeast of the Skorusa license.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.
- In Q3-2023 a passive seismic geophysical survey was completed for which initial geophysical interpretations were received.

*Exploration Plans for the remainder of 2023*

- Rock chip sampling is planned as follow-up of copper anomalies from soil samples over the Oblez South area for Q4-2023.

**Padina**

- The Padina license is located 4 km east of the Bor Mine Complex, adjacent to Branik to the east, and totals 12 sq.km.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.
- A passive seismic geophysical survey was completed in Q3-2023 with the geophysical interpretations anticipated by the end of Q4-2023.

### **Branik**

- The Branik exploration area, covering 10 sq.km., is located along the eastern side of the Bor Mine Complex and the Veliki Krivelj open-pit mining operation, in the highly prospective, world-class Bor Mining Camp.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.
- A passive seismic geophysical survey was completed in Q3-2023 with the geophysical interpretations anticipated by the end of Q4-2023.

#### *Exploration Plans for the remainder of 2023*

- A Phase I drilling program at Branik to follow up on mineralized ore clasts intersected in a previous drilling campaign is planned for Q4-2023 for a total of up to 750 meters with the assays expected in Q1-2024.

### **Vale-Mundoro Projects – Southern Timok**

In Q2-2021, Mundoro entered into an option agreement with Vale, granting Vale an option on two exploration licenses. The licenses are located within the southern portion of the Timok Magmatic Complex and are directly adjacent to the west of the Oblez and Skorusa licenses.

### **Bobot and Odej**

- The Bobot and Odej licenses are located 15 km southwest of the Bor Mine Complex and cover 90.4 sq.km. The property contains a significant elongated northwest-southeast area of hydrothermal alteration covering 14 sq.km. which hosts epithermal and porphyry targets marked by Cu-Mo-Au-Ag-Pb-Zn geochemical anomalies and alteration zonation.
- The mapped hydrothermal alteration, defined over 9 km of strike at Tilva Rosh and Markov Kamen, coincides with an elongate zone of demagnetization of the host volcanic rocks. Within the hydrothermal alteration, exploration work by the exploration team identified several targets. Tilva Rosh, regarded as an epithermal gold target, includes a previously reported 12 m channel sampling containing 30 g/t gold and 171 g/t silver in an exploration trench.
- Drilling between 2014 and 2022 at Tilva Rosh identified a mineralized structure that strikes northwest-southeast and dips under the zone of lithocap alteration. This mineralized structure is interpreted to be part of a system related to a deeper porphyry.
- In Q2-2023, 3121.3 m of drilling at Tilva Rosh North was completed concluding the planned 3,200 m for the year.
- In Q2-2023, 378.6 m of drilling at the Markov Kamen South target was completed concluding the Phase I drill program.
- In Q3-2023 a passive seismic geophysical survey was completed for which initial geophysical interpretations were received.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.

#### *Exploration Plans for the remainder of 2023*

- A Phase II drill program of 1,600 meters is planned for the Markov Kamen South target area to follow up on potential extensions to mineralization intersected during previous drilling campaigns. Drilling is anticipated to be completed in Q4-2023 with assay results from this drill program anticipated in Q1-2024.

### **Odej South and Gramada**

- The Odej South and Gramada licenses are located directly south of the Odej license and cover 127 sq. km. The license areas contain hydrothermal alteration over a strike length of 8 km proposed as an along trend continuation of the hydrothermal alteration identified to the north at Tilva Rosh and Markov Kamen.
- The exploration team has identified four targets from geological mapping, rock and soil sampling, ground magnetics, IP surveys, AMT geophysical surveys, and a limited number of reverse circulation and diamond drill holes.
- In Q2-2023, 1,143.9 meters of diamond drilling was completed out of a planned 1,600 m at the Orlovo target to test possible extensions to porphyry style mineralization intersected in a previous drilling campaign, soil geochemistry anomalies, and new geophysical anomalies. The remaining drilling was completed at the beginning of Q3-2023.
- In Q3-2023, 291 meters of diamond drilling was completed on a drill hole at the Prekostenski target testing for possible extensions of mineralization intersected in previous drilling campaigns in areas with geophysical anomalies. This drilling completed a hole started in late Q2-2023 at a final depth of 801.4 meters.
- A regional structural interpretation that commenced in Q2-2023 to improve understanding of structural setting and targeting was completed in Q3-2023.

*Exploration Plans for the remainder of 2023*

- An IP and coincident NS-CSAMT survey for the Orlovo-Bacevica North corridor is planned with a total of 52.5 line-km to be completed in Q4-2023.
- A Phase II drilling program is planned for 800 meters at the Bacevica North target to follow up areas of interest identified with geochemistry and geophysics. Drilling will commence in Q4-2023 with the assays expected in Q4-2023 or Q1-2024.

***Kinross-Mundoro Project***

In Q3-2023, Mundoro entered into an option agreement with Kinross, granting Kinross an option on the GT7 Copper Project.

**GT7**

- The GT7 Copper Project occupies 97 sq.km and is in the northern portion of the Serbo-Macedonian Metallogenic Province, a part of the Tethyan Orogenic Belt. The area is considered highly prospective for porphyry and related epithermal mineralization. The GT7 Copper Project contains exposures of diorite porphyry hosting quartz stockwork with copper and gold mineralization and a zone of veins hosted within surrounding sedimentary country rock which contains precious and base metals.
- During Q3-2023 work focused on a program of community engagement in preparation for future drilling.

*Exploration Plans for the remainder of 2023*

- A Phase I drill program of up to 2,500 m testing targets in the Central and South areas is planned for Q4-2023 dependent on receiving all relevant permissions from landowners.

***BHP-Mundoro Projects***

In Q1-2023 Mundoro entered into a definitive agreement with a wholly owned subsidiary of BHP Group Limited (“BHP”), which provides BHP with the right to earn-in to three (each, an “Option”) exploration areas that Mundoro holds in the Timok region (“Timok Properties”).

**Borsko Jezero**

- The Borsko Jezero project (“**Borsko**”) is a 35 sq.km. license area located in the central portion of the Timok Magmatic Complex and is directly adjacent to and west of the producing Bor copper porphyry mine.
- Exploration has identified several targets of which Target 1 is an undercover preserved advanced argillic alteration lithocap covering an area approximately 1.6 km in strike length, discovered using a combination of geophysical techniques.
- The Target 1 system contains elevated copper-gold-arsenic indicative of high sulphidation epithermal type mineralization with elevated copper at the bottom of the lithocap suggesting a porphyry source beyond the immediate drilled area.
- In Q2-2023, the remaining 1440.7 m of drilling was completed to finish hole 23-BJ-28 at a final depth of 2006.7 m. Assays are expected by the end of the year.

**Trstenik and Crvena Zemlja**

- The Trstenik and Crvena Zemlja areas (collectively “**Trstenik**”) cover 55 sq km within the northern portion of the Timok Magmatic Complex immediately north of Majdanpek copper porphyry mine.
- Systematic exploration work carried out has identified several target areas. Two of the targets at the southern end of the exploration license have similarities with the Majdanpek deposit in that the targets share similar geology, structural settings, and mineralisation – porphyry and skarn/massive sulphide replacement type and occur along strike of the main Timok trend.
- During Q1-2023 the company submitted requests to the State Forestry Department in preparation for drilling.
- During Q3-2023 a follow up drill program to test the extension of an IP anomaly to the south of the East Zone at the south end of the property was completed with one drill hole of 600.5 m. Assay results are expected in Q4-2023.
- During Q3-2023 a ground gravity survey was completed measuring gravity at 1400 stations across the project. Geophysical interpretation is expected in Q4-2023.

*Exploration Plans for the remainder of 2023*

- A ground AMT survey is planned to commence in Q4-2023.
- A MobileMT survey is planned for Q1-2024.

**Vitanovac**

- The Vitanovac license covers 41 sq.km of the southern extension of the Timok Magmatic Complex and is located 40 km southwest of the Bor Mine Complex, directly south of the Company's Gramada license.
- The northern and southern parts of the license are covered by Paleogene sediments interlayered with Paleogene pyroclastic volcanics and agglomerate, while the central area consists of Upper Cretaceous sediments and volcanics. Hornblende andesite that intrudes the Upper Cretaceous sediments from the central portion of the license area are considered to have the potential for copper-gold mineralization from porphyry and epithermal related systems.
- A stream sediment program over the license has been completed and several drainage areas with elevated geochemistry were identified and mapped.
- In Q3-2023 a follow up grid-based soil geochemical sampling survey covering the license was completed and sample analysis results were received.
- In Q3-2023 a ground gravity survey was completed measuring 1022 stations across the license area. Initial geophysical interpretations are expected in Q4-2023.

*Exploration Plans for the remainder of 2023*

- A ground AMT survey is planned to commence in early Q4-2023.
- A MobileMT survey is planned for Q1-2024.
- Drilling is planned to test one target area within the license during Q4-2023.

**Ponor**

- The Ponor license is a 93 sq.km area located about 60 km south-southeast of the Bor mine Complex.
- The license contains Cretaceous volcano-sedimentary lithologies intruded by late Cretaceous latite intrusions partly overlain by Paleogene sediments. Volcanic ages are similar to those within the Timok Magmatic Complex. A stream sediment sampling program yielded several drainage areas anomalous for gold, copper, lead and zinc within two outlined targets internally named Ponor North and Ponor South. Follow up soil sampling confirmed anomalous geochemistry within these targets.
- In Q3-2023 a ground gravity survey commenced and is expected to be completed in Q4-2023.
- In Q3-2023 a grid-based soil geochemical survey commenced and is expected to be completed in Q4-2023.
- A grid-based soil geochemical sampling survey covering the license will commence in the beginning of Q3-2023.

*Exploration Plans for the remainder of 2023*

- A ground AMT survey is planned to commence in early Q4-2023.
- A MobileMT survey is planned for Q4-2023 dependent on gaining flight permits from civil aviation authorities.
- Reconnaissance mapping and rock sampling will be conducted in the license in Q4-2023.

**Lipovica**

- The Lipovica license covers 88 sq.km. and is located 50 km south of the Bor mine Complex, immediately adjacent to the Company's Ponor license.
- The license contains Miocene and Cretaceous sedimentary units with potential for intrusive bodies and related mineralisation below the cover sequences.

*Exploration Plans for the remainder of 2023*

- A ground gravity survey will commence in Q4-2023.
- A ground AMT survey is planned to commence in early Q4-2023.
- A MobileMT survey is planned for Q1-2024.
- A grid-based soil geochemical sampling survey covering the license will commence in the beginning of Q4-2023.
- Reconnaissance mapping and rock sampling will be conducted in the license in Q4-2023.

**BULGARIA PORTFOLIO SUMMARY OF EXPLORATION AND OUTLOOK**

The Company has an ongoing generative program to evaluate both existing and new project areas in the Republic of Bulgaria (“Bulgaria”). In Bulgaria, Mundoro has proactively applied for land positions in underexplored regions known for base metal and precious metal deposits. The Company has areas under application in Bulgaria which are under review by the Ministry of Energy (“MoE”). Mundoro also holds a minority investment in a private gold mining company.

**Svoboda Tender**

- The Svoboda area is under application with the MoE and is located in the Panagyurishte Mining Region approximately 100 km south-east of Sofia, Bulgaria.
- The Panagyurishte Mineral Belt is the most prospective belt in Bulgaria for copper/copper-gold porphyry systems and high-sulfidation epithermal systems in Bulgaria. It is part of the upper Cretaceous Banat-Timok-Srednogorie Belt which hosts several economically viable porphyry and epithermal copper and gold deposits such as Moldova Nova, Majdanpek, Bor and Chelopech.
- The Company’s local subsidiary was announced as the winner of the Svoboda tender process in September 2017. Certain legal and administrative procedures must be completed in order for an exploration contract to be entered into between the Company’s subsidiary and the MoE.
- The Company continues to coordinate with the responsible Ministries in order to advance this application.

**JOGMEC-Mundoro EE1 Copper Project**

In Q1-2022, Mundoro and JOGMEC (Japan Oil, Gas and Metals National Corporation) entered into an earn-in agreement for the EE1 project. In Q3-2022, JOGMEC completed the Stage One Earn-in and commenced an exploration program in Q3-2022 under a Stage Two additional option.

***EE1 Copper Project***

- The EE1 license covers an area of 166.5 sq.km. approximately 40 km northwest of Sofia. The license area contains around 60 known copper-lead-zinc mineral occurrences including several historical mines. The area is considered highly prospective for sediment-hosted copper stratiform type deposits with potential similarities to mineralization in the Kupferschiefer region of Germany and Poland and the Central African Copperbelt of Zambia and the DRC.
- Following approval of the work program by the relevant government agencies in Q4-2022 a soil geochemical survey, geological mapping, and an initial AMT geophysical program totaling 14.3 line-km were conducted over parts of the license.
- A soil geochemical survey and geological mapping commenced in Q1-2023 and was completed in late Q3-2023.
- A follow up AMT geophysical survey for a total of 27 line-km was completed in Q3-2023.
- Based on field observations and analysis of the geochemical and geophysical work completed in 2022 and 2023, the Company submitted 8 drill hole locations for permitting to the responsible authorities in Q2-2023.

***Exploration Plans***

- Drilling is planned for 1,900 meters after receiving all relevant permissions from the local government agencies.

**USA PORTFOLIO SUMMARY OF EXPLORATION AND OUTLOOK**

***Vale-Mundoro Generative Alliance***

- In Q4-2021, the Company and Vale established a generative alliance focused on generation of new projects with high potential to host porphyry copper and related metal deposits within Arizona and New Mexico.
- Mundoro is the operator of the exploration activities while Vale sole funds the Work Program and Budget in order to identify projects suitable for designation as Designated Projects. All generative exploration activities are guided by a Technical Committee consisting of two members from each company.
- Mundoro earns a Management Fee to operate the Generative Alliance.
- Each Designated Project will be covered by a separate option agreement pursuant to which Vale can acquire 100% of the Designated Project.



- Target generation is ongoing:
  - A second project has been spun out as a Designated Project in Q2-2023.
  - A third project is in the generative pipeline and will be presented as a designated project proposal in Q4-2023.
  - A number of AOIs have been identified within Arizona and New Mexico with the potential to become designated projects to fill the generative pipeline.

***Vale-Mundoro Dos Cabezas Project – Arizona***

- The Dos Cabezas Project is located in SE Arizona, approximately 150 km east of the city of Tucson, within the highly prospective “Laramide” magmatic arc portion of the Southwestern USA cordilleran porphyry belt. The project consists of mixed State Exploration Permits, Federal Unpatented Mining Claims, and exploration agreements with private landowners for a total of approximately 61 sq.km.
- Exploration to date has identified three target areas with potential for outcropping porphyry copper targets and two covered target areas.
- Permitting with State and Federal agencies was completed in Q1-2023 for the Phase 1 Drill Program to test five target areas.
- In Q2-2023, drilling of two of the target areas was completed for a total of 800 meters.
- In Q3-2023, a drilling contractor mobilized on to the project in preparation for the Phase 1 Drill Program to commence Q4-2023 over three target areas.

*Exploration Plans for the remainder of 2023*

- The Company is preparing additional targets in the project area for drill testing in 2024.

***Vale-Mundoro Picacho Project – Arizona***

- The Picacho Project is located in central Arizona approximately 60 km northwest of the city of Tucson. The project is located within a central position to numerous porphyry deposits including the Resolution deposit, the Ray Mine, Florence Copper, the San Manuel Mine, and the Sierrita-Esperanza district. The project consists of State Exploration Permits and Federal Unpatented Mining Claims for a total of approximately 105 sq km.
- Extensive research of historic exploration information and field reconnaissance was carried out from Q1-Q3 of 2022 as part of the Vale-Mundoro Generative Alliance.
- Three untested or partially tested covered target areas were identified along with a large area of untested ground with potential for additional covered targets.
- The Picacho Project has an approved work program for geologic mapping, sampling, and project wide geophysical surveys in 2023.
- In Q1-2023 geologic mapping and geochemical sampling commenced in the project.
- In Q2-2023 project wide geologic mapping and geochemical sampling commenced and is ongoing.
- In Q3-2023 project wide drone magnetic and ground gravity surveys began and are ongoing.

*Exploration Plans for the remainder of 2023*

- Project wide geologic mapping and geochemical sampling is expected to be complete by Q4-2023.
- Geophysical surveys of the project are currently being conducted and will be completed by Q4-2023.

**Qualified Persons**

The scientific and technical information described in this MD&A have been prepared in accordance with in National Instrument 43-101. The scientific and technical information for Serbia and Bulgaria exploration programs was reviewed and approved by Thomas Sant, FGS (EurGeol, CGeol) a Qualified Person as defined by NI 43-101 and Exploration Director to the Company. The scientific and technical information for the USA exploration programs has been reviewed and approved by T. Dechev, P.Eng (PEO, APEGBC), a Qualified Person as defined by NI 43-101, and the Company's Chief Executive Officer.

#### 4. RESULTS OF OPERATIONS

##### *Summary of Quarterly Results*

<b>Canadian Dollars Thousands</b>	<b>Q3/23</b>	<b>Q2/23</b>	<b>Q1/23</b>	<b>Q4/22</b>	<b>Q3/22</b>	<b>Q2/22</b>	<b>Q1/22</b>	<b>Q4/21</b>
Exploration and project evaluation costs	1,927	3,680	1,687	2,191	994	976	949	709
Recoveries from partners	(1,601)	(4,003)	(1,550)	(1,793)	(739)	(970)	(774)	(589)
Net Exploration and project evaluation costs	325	(323)	137	398	255	6	175	120
Corporate expenses <sup>(1)</sup>	431	284	341	419	376	266	186	241
Fees earned <sup>(2)</sup>	(978)	(697)	(836)	(123)	(446)	(323)	(44)	(57)
Net Corporate Expenses	(547)	(413)	(495)	296	(70)	(57)	142	184
Loss (income) before other expenses	(222)	(736)	(357)	693	137	(51)	317	304
Other (income) expense <sup>(3)</sup>	146	(27)	35	402	(120)	102	114	330
<b>Net loss (income) for the period</b>	<b>(76)</b>	<b>(763)</b>	<b>(322)</b>	<b>1,095</b>	<b>16</b>	<b>51</b>	<b>431</b>	<b>634</b>
(Income) loss per share:								
Basic	\$(0.00)	\$(0.01)	\$(0.00)	\$0.01	\$0.00	\$0.00	\$0.00	\$0.01
Diluted	\$(0.00)	\$(0.01)	\$(0.00)	\$0.01	\$0.00	\$0.00	\$0.00	\$0.01

##### **Notes**

- Corporate Expenses include accounting and audit, regulatory and corporate governance, corporate communication, and general and administrative expenses.
- Under Earn-In Agreements, Mundoro is paid a fee for its role as the operator.
- Other income (expense) includes share-based compensation, the impact of foreign exchange fluctuations, and the change in the fair value of the Company's investments.

Fluctuations in exploration and project evaluation costs depend on the Company's activities from period to period. The other principal factors that cause fluctuations in the Company's results relate to non-cash items including: (i) the timing of stock option grants; (ii) the write-down of mineral properties; and (iii) any changes in the fair value of the Company's investments in equity instruments.

##### *Annual Financial Information*

	<b>As at September 30, 2023</b>	<b>As at December 31, 2022</b>	<b>As at December 31, 2021</b>
Total Assets	\$10,068,899	\$ 6,617,173	\$ 4,707,885
Total Long-Term Liabilities	Nil	Nil	Nil
Cash Dividends per Share	Nil	Nil	Nil
(Loss) income per share	\$ 0.00	\$ (0.02)	\$ (0.02)

##### *Review of Operations for the Quarter Ended September 30, 2023 ("Q3-2023") Compared to the Quarter Ended September 30, 2022 ("Q3-2022")*

In Q3-2023, the Company recorded income of \$75,903 (\$0.00 per share), compared to a net loss of \$16,323 (\$0.00 per share) for the quarter ended September 30, 2022 for an increase of \$92,226.

The exploration and project evaluation expenditures, the majority of which are sole-funded by partners, were higher at \$1,926,571 in Q3-2023 compared to \$993,417 in Q3-2022 due to higher budgeted exploration expenditures across the various partner funded programs. Recoveries from option partners in Q3-2023 were \$1,601,165 compared to \$738,682 in Q3-2022, resulting in net exploration costs of \$325,406 in Q3-2023 and \$254,735 in Q3-2022. The net exploration costs are primarily attributable to the Project Generative segment of the Company. The Project Generative segment creates long-term royalty opportunities and receives property payments, milestone payments and other fees in exchange for optioning mineral projects to third parties.

Corporate expenses in Q3-2023 were \$431,047 compared to \$375,991 in Q3-2022 which represented an increase of \$55,056 compared to Q3-2022. The year over year change in corporate expenses are due to (i) corporate communication costs increase due to attending an additional conference, and (ii) increase in accounting and audit costs as well as corporate governance related costs due to hiring additional staff and offset by efficiencies in general and administrative expenses which decreased by 77%.

In Q3-2023, share-based payments were higher by \$20,244. The negative change in fair value of investments when comparing Q3-2023 to Q3-2022 decreased by \$65,719 and the foreign exchange went from a gain to a loss for a net change of \$293,695.

***Review of Operations for the Nine Months Ended September 30, 2023 (“Q1-3 2023”) Compared to the Nine Months Ended September 30, 2022 (“Q1-3 2022”).***

In Q1-3 2023 the Company recorded income of \$1,154,991 (\$0.01 per share), compared to a net loss of \$498,117 (\$0.00 per share) for Q1-3 2022, for an increase of \$1,653,108.

The exploration and project evaluation expenditures, the majority of which are sole-funded by partners, were higher at \$7,293,907 in Q1-3 2023 compared to \$2,918,044 in the equivalent period in 2022 due to higher budgeted exploration expenditures across the various partner funded programs, including the USA. Recoveries from option partners in 2023 were \$7,222,487 compared to \$2,482,927 in 2022, resulting in net exploration costs of \$71,420 in Q1-3 2023 and \$435,117 in Q1-3 2022. The net exploration costs are primarily attributable to the Project Generative segment of the Company. The Project Generative segment creates long-term royalty opportunities and receives property payments, milestone payments and other fees in exchange for mineral projects.

Corporate expenses in Q1-3 2023 were \$1,056,211 compared to \$829,222 in Q1-3 2022 which represented an increase of \$226,989. The increase was driven by an increase in (i) accounting related costs due to additional staff hired, new software implementation costs and audit fees increases, (ii) corporate governance related costs due to hiring additional staff in governance and legal related functions of the company, and (iii) corporate communication costs offset by efficiencies in general and administrative expenses which decreased by 39%.

In Q1-3 2023, share-based payments were lower by \$9,580. The negative change in fair value of investments when comparing Q1-3 2023 to Q1-3 2022 decreased by \$136,906 and the foreign exchange gain decreased by \$188,604.

***Liquidity and Capital Resources***

The Company's principal source of liquidity is its existing cash and cash equivalents and receivables from partners. As of September 30, 2023, the Company had cash and cash equivalents totaling \$5,780,203 (December 31, 2022 – \$4,843,844) and has \$2,615,708 in receivables from partners. This cash balance includes \$5,130,323 (December 31, 2022 - \$3,154,941) of advances from partners.

For the nine months ended September 30, 2023 the Company had cash provided from operating activities of \$1,267,480 compared to a use of cash of \$42,270 in September 30, 2022. The Company ended Q3-2023 with cash and cash equivalents of \$5,780,203 and it expects that combined with partner-funded exploration programs, operator fees to be earned from partners, and property option payments to be collected from partners during 2023 and 2024, the Company will have sufficient cash to meet its obligations for the next twelve months.

As required, the Company will continue to explore appropriate financing routes which may include additional issuance of share capital; funding through additional joint ventures or strategic partnership; project debt; convertible securities; or other financial instruments. With the exception of interest earned on its cash balance, operator fees earned for its role as the operator in Earn-In Agreements, and option payments, the Company does not generate income and relies upon current cash resources and future financings to fund its ongoing business and exploration activities.

***Outstanding Share Data***

As at the date of this MD&A, the Company has 104,484,680 common shares outstanding, 7,874,000 stock options granted at exercise prices ranging from \$0.12 to \$0.23 per share, expiring between May 2024 and February 2028. The Company has no warrants outstanding at September 30, 2023.

**5. RELATED PARTY TRANSACTIONS**

Under IAS 24 “Related Party Disclosures”, related parties include members of the key management personnel of the reporting entity and related party transactions encompasses compensation including short-term employee benefits such as wages, salaries, social security contributions and share-based payments. Key management personnel include members of the Board of Directors and executive officers of the Company. The Company’s directors receive annual retainers for services provided to the Board and committees on which they sit. Executive officers, directors, employees, and consultants of the Company also participate in the Company’s share option program. The Company incurred the following expenses related to key management personnel:

	For the three months ended		For the nine months ended	
	Sept 30, 2023	Sept 30, 2022	Sept 30, 2023	Sept 30, 2022
Directors’ fees	\$ 27,500	\$ 27,500	\$ 82,500	\$ 105,688
Short-term management salaries and benefits	120,948	115,480	543,418	454,068
Share based payments - Directors	12,596	-	41,630	39,707
Share based payments – Officers	7,647	-	27,258	30,486
	<u>\$ 168,691</u>	<u>\$ 142,980</u>	<u>\$ 694,806</u>	<u>\$ 629,949</u>

**6. OFF BALANCE SHEET ARRANGEMENTS**

There are no off-balance sheet arrangements for the Company.

**7. USE OF FINANCIAL INSTRUMENTS**

The Company is not in a situation where it needs to enter into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. The principal financial instruments affecting the Company’s financial condition and results of operations are currently its cash and cash equivalents, and its receivables, advances and payables. The Company is exposed to foreign exchange rate fluctuations in respect of instruments held in foreign currencies.

The Company is exposed to low risk with respect to interest rates as the Company has no interest-bearing liabilities other than standard course accounts payable. The majority of the Company’s cash has been placed with a Canadian Chartered Bank and held in cash, but funds are also invested in short-term guaranteed investment certificates as appropriate and prudent.

**8. DISCLOSURE CONTROLS AND PROCEDURES UPDATE**

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is accumulated and communicated to management, as appropriate, to allow for timely decisions regarding required disclosure.

**9. INTERNAL CONTROLS OVER FINANCIAL REPORTING**

The Company is responsible for designing internal controls over financial reporting or causing them to be designed under the supervision of the CEO and CFO in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's CEO and CFO are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a TSX-V issuer to design and implement on a cost-effective basis disclosure controls and procedures as well as internal controls over financial reporting as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Although potential weaknesses exist in the Company's internal controls, due to the lack of segregation of incompatible duties, management, and the board of directors' work to mitigate the risk of a material misstatement in financial reporting. However, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement occurring.

## **RISKS AND UNCERTAINTIES**

The Company is a mineral acquisition, exploration, development, and investment company and is exposed to a number of risks and uncertainties that are common to other companies in the same business. An investment in the securities of the Company is speculative due to the nature of the Company's business and the present stage of exploration and development of its mineral properties. Risk factors relating to the Company could materially affect the Company's future results and could cause them to differ materially from estimates described in forward-looking statements made by the Company. Prospective investors should carefully consider these risk factors as it is not always possible to fully insure against some or any of the risk factors. Risks to be considered include but are not limited to:

### ***Exploration & Development***

Exploration is highly speculative in nature and exploration projects involve many risks that even a combination of careful evaluation, experience and knowledge utilized by the Company may not eliminate. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible. Substantial expenditures are normally required to locate and establish mineral reserves and to permit and construct mining and processing facilities. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines.

The commercial viability of any mineral deposit depends on many factors, not all of which are within the control of management. Some of the factors that affect the financial viability of a given mineral deposit include its size, grade and proximity to infrastructure. Government regulation, taxes, royalties, land tenure, land use, environmental protection and reclamation and closure obligations all have an impact on the economic viability of a mineral deposit. The Company has no production of minerals and its properties are all currently at the exploration stage. There is no assurance that a commercially viable mineral deposit exists on any of the Company's properties, and substantial additional work will be required in order to determine the presence of any such deposit.

It is impossible to ensure that the current exploration and development programs of the Company will result in profitable commercial mining operations. The profitability of the Company's operations will be, in part, directly related to the cost and success of its exploration and development programs which may be affected by a number of factors. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and receipt of adequate financing. They typically require a number of years and significant expenditures during the development phase before production is possible. The economic feasibility of development projects is based on many factors such as: estimation of reserves; anticipated metallurgical recoveries; environmental considerations and permitting; future gold prices; and anticipated capital and operating costs.

Future development and operations in foreign countries may be affected in varying degrees by such factors as government regulations (or changes thereto) with respect to the restrictions on production, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use, land claims of local people, mine safety and receipt of necessary permits. The effect of these factors cannot be accurately predicted.

### ***Permits and Licensing***

Exploration, development and operation of a mineral property are subject to laws and regulations governing health and worker safety, employment standards, environmental matters, mine development, project development, mineral production, permitting and maintenance of title, exports, taxes, labour standards, reclamation obligations, heritage and historic matters and other matters. The Company is required to have a wide variety of permits from government and regulatory authorities to carry out its activities. These permits relate to virtually every aspect of the Company's exploration and exploitation activities. The owners and operators of the properties in which Mundoro holds an interest require licenses and permits from various governmental authorities in order to conduct their operations. Future changes in such licenses and permits could have a material adverse impact on the costs Mundoro incurs. Such licenses and permits are subject to change in various circumstances and are required to be kept in good standing through a variety of means, including cash payments and satisfaction of conditions of issue. There can be no guarantee that Mundoro or the operators of those properties in which Mundoro holds an interest, will be able to obtain on a timely basis or maintain all necessary licenses and permits in good standing that may be required to explore, develop and operate the properties, commence construction or operation of mining operations that economically justify the cost. Any failure to comply with applicable laws and regulations, permits and licenses, or to maintain permits and licenses in good standing, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or fines, penalties or other liabilities accruing to the owner or operator of the project. Any such occurrence could cause the termination of operations on the property, and thereby have a material and adverse effect on Mundoro's results of operation and financial condition.

### ***Foreign Country Political Environment***

Mundoro operates in foreign countries and the Company's operations in these foreign jurisdictions may be subject to geopolitical, economic, and other risks, as evidenced in Eastern Europe, China, USA and Mexico, that may affect the Company's future operations and financial position. There is sovereign risk in investing in foreign countries, including the risk that the resource concessions may be susceptible to revision or cancellation by new laws or changes in direction by the government in question. It is possible that changes in applicable laws, regulations, or changes in their enforcement or regulatory interpretation could result in adverse changes to mineral operations. These are matters over which Mundoro has no control. There is no assurance that future political and economic conditions in such countries will not result in the adoption of different policies or attitudes respecting the development and ownership of resources. Any such changes in policy or attitudes may result in changes in laws affecting ownership of assets, land tenure and resource concessions, taxation, royalties, rates of exchange, environmental protection, labour relations, repatriation of income and return of capital, which may affect both the ability to undertake exploration and development on the properties on which Mundoro holds royalty or other interests. In certain areas in which Mundoro has an interest, the regulatory environment is in a state of continuing change, and new laws, regulations and requirements may be retroactive in their effect and implementation. Any changes in governmental laws, regulations, economic conditions or shifts in political attitudes or stability are beyond the control of Mundoro and such changes may result in a material and adverse effect on Mundoro's results of operation and financial condition. Investors should assess the political risks of investing in a foreign country. Any variation from the current regulatory, economic, and political climate could have an adverse effect on the affairs of the Company. In addition, the enforcement by the Company of its legal rights to exploit its properties may not be recognized by the government of the foreign country or by its court system.

### ***Environmental Laws and Regulations***

The Company's operations are subject to extensive environmental, health and safety regulations in the various jurisdictions in which it operates. Mundoro minimizes these risks by complying with all applicable and international environmental, health and safety standards and regulations. Environmental legislation may change and make the mining and processing of ore uneconomic or result in significant environmental or reclamation costs. Changes in these laws and regulations or changes in their enforcement or interpretation could result in changes in legal requirements or in the terms of the Company's permits that could have a significant adverse impact on the Company's existing or future operations or projects. In addition, certain types of operations require the submission of environmental impact statements and approval by government authorities. Environmental legislation is evolving towards stricter standards, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors, officers, and employees. Any future changes to these laws could adversely affect our financial condition, liquidity, or results of operations. Permits from a variety of regulatory authorities are required for many aspects of mineral exploitation activities, including closure and reclamation.

Future environmental legislation could cause additional expense, capital expenditures, restrictions, liabilities, and delays in the development of the Company's properties, the extent of which cannot be predicted. The Company's business may be affected by amendments or changes to environmental laws, regulations, and requirements in the host country. At any time, a number of draft environmental laws may be proposed. It is not possible to predict when or if a draft environmental bill will be enacted into law or what the final provisions of such law will be, if enacted. It is possible that the host country government will issue further decrees or otherwise attempt to modify existing environmental rights or other laws affecting the Company, its properties, and its ability to operate in the host country. Any changes to host country environmental law may adversely affect the Company's ability to develop and operate its properties in the host country. Globally, environmental legislation is evolving towards stricter standards and enforcement, more stringent environmental impact assessments of new mining projects and increasing liability exposure for companies and their directors and officers. There is no assurance that future environmental regulations will not adversely affect Mundoro's operations.

### ***Global Financial Conditions***

Financial conditions globally continue to experience significant volatility due to multiple factors, including high inflation, aggressive monetary policies from governments in response to the COVID-19 pandemic, and the impact of supply chain interruptions on commodity and energy prices. These factors may impact the ability of the Company to issue debt and equity in the future and to issue it on terms that are reasonable to the Company. Although there have been certain signs of economic recovery, these increased levels of volatility and market turmoil may continue and, as a result, the Company's business, financial condition, results of operations and share price could be adversely impacted.

The conflict in Ukraine, and the accompanying international response including economic sanctions, has been disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gasoline prices, which could negatively impact supply chains. There is a risk of substantial market impact arising from the conflict which could have a material adverse effect on the economics of the Company's projects, and the Company's ability to operate its business and advance project exploration.

### ***Foreign Operations***

The Company's operations consist of the acquisition, exploration, development, and investment in mineral resource properties. The majority of the Company's operations and business are outside of Canada, and as such, the Company's operations are exposed to various political and other risks and uncertainties. The Company conducts its operations through foreign subsidiaries and substantially all its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between or among Mundoro and such entities could restrict or impact the Company's ability to fund its operations. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's business, financial condition, and results of operations.

### ***Competition***

The mining industry is competitive with many companies competing for the limited number of mineral resource acquisition and exploration opportunities. The Company faces competition from other mining companies in connection with the acquisition of properties. Many of these companies have greater financial resources, operational experience, and technical capabilities than the Company. Many companies are engaged in the search for and the acquisition of mineral interests, and there is a limited supply of desirable mineral interests. As a result of this competition, there can be no assurance that the Company will be able to acquire or maintain attractive mineral properties or operations on economically acceptable terms. Consequently, the Company's business, results of operations and financial condition could be materially adversely affected.

### ***Hiring of Key Personnel***

The success of Mundoro will be largely dependent on the performance of its management team. The loss of the services of these persons would have a materially adverse effect on Mundoro's business and prospects. There is no assurance Mundoro can retain the services of its officers or other qualified personnel required to operate its business. Mundoro's success depends on attracting and retaining qualified personnel in a competitive labour environment. The Company's operations are based in USA, Mexico, Serbia and Bulgaria and finding or hiring qualified people or obtaining all necessary services for the Company's operations may be difficult.

### ***Commodities***

Mundoro's revenues, if any, are expected to be in large part derived from the sale of natural resource assets. The price of natural resource assets fluctuates widely and is affected by factors beyond the Company's control including, but not limited to, international economic and political trends, currency exchange fluctuations, economic inflation and expectations for the level of economic inflation in the consuming economies, interest rates, global and local economic health and trends, speculative activities and changes in the supply of precious metals due to new mine developments, mine closures as well as advances in various production and use technologies of precious metals. All these factors will have impacts on the viability of Mundoro's exploration projects that are impossible to predict.

### ***Foreign Exchange***

By virtue of its international operations, the Company incurs costs and expenses in several foreign currencies. The Company reports in Canadian dollars while the majority of operating and capital expenditures are denominated in the Mexican peso, Canadian dollar, U.S. dollar, Serbian dinar and the Bulgarian lev, which is pegged to the Euro. Fluctuations in exchange rates between the U.S. dollar and the Euro, the Canadian dollar and the Serbian dinar and Bulgarian lev, the Canadian dollar and the U.S. dollar, and the Canadian dollar and the Mexican Peso give rise to foreign exchange exposures, either favorable or unfavorable, which could have a material impact on the Company's results of operations and financial condition. The Company does not anticipate entering into hedging or derivative arrangements to manage its foreign exchange risk.

### ***Financing***

Mundoro has finite financial resources, has limited source of operating income, and has no assurance that additional funding will be available to it for further exploration and development of its projects. There can be no assurance that Mundoro will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further business activities and may result in a material adverse effect on Mundoro's profitability, results of operation and financial condition.

### ***Price Volatility***

In recent years, the securities markets have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the common shares will be subject to market trends generally, notwithstanding any potential success of Mundoro in creating revenues, cash flows or earnings. The value of Mundoro's common shares will be affected by such volatility.

### ***Dilution to Common Shares***

During the life of the Company's outstanding stock options granted under its share-based compensation plans, the holders are given an opportunity to profit from an increase in the market price of the common shares with a resulting dilution in the interest of shareholders. The holders of stock options may exercise such securities at a time when the Company may have been able to obtain any needed capital by a new offering of securities on terms more favorable than those provided by the outstanding rights. The increase in the number of common shares in the market, if all or part of these outstanding rights were exercised, and the possibility of sales of these additional shares may have a depressive effect on the price of the common shares.



### ***Investments***

The Company, from time to time, intends to participate in a limited number of investments and, as a consequence, the aggregate return of the Company may be substantially adversely affected by the unfavorable performance of even a single investment. In addition, as the Company's investments are expected to be concentrated in the resource sector, the Company's performance will be disproportionately subject to adverse developments in the resource sector.

### ***Conflicts of Interest***

Certain of the directors of Mundoro also serve as directors or officers, or have significant shareholdings in, other companies involved in mineral property investments and, to the extent that such other companies may participate in ventures which Mundoro may participate in, a conflict may arise. The Company expects that any decision made by any of such directors and officers will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its shareholders, but there can be no assurance in this regard. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in applicable laws.

### ***Insured and Uninsured Risks***

The Company's business is subject to numerous risks and hazards, including severe climatic conditions, industrial accidents, equipment failures, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and other natural events such as earthquakes. Such occurrences could result in damage to mineral properties or facilities, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in operations, monetary losses, and possible legal liability. In order to eliminate or reduce certain risks, the Company purchases and maintains insurance coverage, subject to limits and deductibles that are considered reasonable and prudent. This insurance does not cover all potential risks because of customary exclusions and/or limited availability, and in some instances, the Company's view that the cost of certain insurance coverage is excessive in relation to the risk or risks being covered. Further, there can be no assurance insurance coverage will continue to be available on commercially reasonable terms, that such coverage will ultimately be sufficient, or that insurers will be able to fulfill their obligations should a claim be made. Losses arising from any such events that are not fully insured may cause the Company to incur significant costs that could have a material adverse effect on its business, financial condition, and results of operations.

### ***Mineral Resources and Reserves Estimates***

The mineral reserves and resources identified on properties are estimates only, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of minerals will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a discovery may change. Resource estimates in particular must be considered with caution. Resource estimates for properties that have not commenced production are based, in many instances, on limited and widely spaced drill holes or other limited information, which is not necessarily indicative of the conditions between and around drill holes. Accordingly, such resource estimates may require revision as more drilling or other exploration information becomes available or as actual production experience is gained. Further, resources may not have demonstrated economic viability and may never be extracted by the operator of a property. It should not be assumed that any part or all of the mineral resources on properties constitute or will be converted into reserves. Market price fluctuations of the applicable commodity, as well as increased production and capital costs or reduced recovery rates, may render the proven and probable reserves on properties unprofitable to develop at a particular site or sites for periods of time or may render reserves containing relatively lower grade mineralization uneconomic. Moreover, short-term operating factors relating to the reserves, such as the need for the orderly development of ore bodies or the processing of new or different ore grades, may cause reserves to be reduced or not extracted. Estimated reserves may have to be recalculated based on actual production experience. Any of these factors may require the operators to reduce their reserves and resources, which may result in a material and adverse effect on Mundoro's results of operation and financial condition.

### ***Title to Properties***

A defect in the chain of title to any of the underlying properties in which Mundoro may have an interest may arise to defeat the claim of the operator to a property. To the extent an owner or operator is not entitled to title on the property, it may be required to cease operations or transfer operational control to another party. As a result, known title defects, as well as unforeseen and unknown title defects may impact operations at a project in which Mundoro has an interest and may result in a material and adverse effect on Mundoro's results of operation and financial condition.

### ***Security and Safety***

The Company has projects located in the State of Chihuahua, Mexico. Although the Company has curtailed exploration activity in Mexico, we still maintain one concession. Criminal activities in the region or the perception that such activities are likely, may disrupt the Company's exploration programs, hamper the Company's ability to hire and keep qualified personnel, and impair the Company's access to sources of capital. Risks associated with conducting business in the region include risks relating to the safety of personnel and assets. Such risks may include but are not limited to: kidnappings of employees and contractors, exposure of employees and contractors to local crime related activity and disturbances, exposure of employees and contractors to drug trade activity, and damage or theft of Company or personal assets. These risks may result in serious adverse consequences including personal injuries, kidnappings or death, property damage or theft, limiting or disrupting exploration programs, restricting the movement of funds, impairing contractual rights, or causing the Company to shut down operations, all of which may expose the Company to costs as well as potential liability. Such events could have a material adverse effect on the Company's cash flows, earnings, results of operations and financial condition and make it more difficult for the Company to obtain required financing. Although the Company has developed precautions regarding these risks, due to the unpredictable nature of criminal activities, there is no assurance that the Company's efforts are able to effectively mitigate risks and safeguard personnel and Company's property effectively.

### ***Litigation***

All industries, including mining, are subject to legal claims that can be with and without merit. Defense and settlement costs can be substantial, even for claims that have no merit. Potential litigation may arise with respect to a property in which Mundoro is in the process of evaluating as a strategic investment and/or holds an interest directly or indirectly in an exploring, developing and/or operating mineral property now or in the future (for example, litigation between joint venture optionees or original property owners). Mundoro might not generally have any influence on the litigation, nor will it necessarily have access to data. To the extent that litigation results in the cessation or reduction of production from a property (whether temporary or permanent), it could have a material and adverse effect on Mundoro's results of operations and financial condition. The litigation process is inherently uncertain, so there can be no assurance that the resolution of a legal proceeding will not have a material adverse effect on our future cash flow, results of operations or financial condition.

### ***Future Plans***

As part of its overall business strategy, the Company examines, from time to time, opportunities to acquire and/or develop new mineral projects and businesses. A number of risks and uncertainties are associated with these potential transactions and Mundoro may not realize all of the anticipated benefits. The acquisition and the development of new projects and businesses are subject to numerous risks, including political, regulatory, design, construction, labour, operating, technical, and technological risks, as well as uncertainties relating to the availability and cost of capital. Failure to successfully realize the anticipated benefits associated with one or more of these initiatives could have an adverse effect on the Company's business, financial condition, and results of operations.