Annual Information Form

For the financial year ended May 31, 2024

Dated as of March 3, 2025

Oroco Resource Corp.
Suite 1201, 1166 Alberni Street
Vancouver, British Columbia
V6E 3Z3
Phone: 604 688-6200
www.orocoresourcecorp.com

TABLE OF CONTENTS

PRELIMINARY NOTES **3**
Date of Information 3
Financial Statements and Management Discussion and Analysis 3
Documents Incorporated by Reference 3
Scientific and Technical Information 3
Currency 4
Forward-looking Information 4
Note to United States Investors Regarding Classification of Mineral Resource Estimates 5
GLOSSARY OF TERMS **5**
CORPORATE STRUCTURE **8**
Name, Address and Incorporation 8
Inter-Corporate Relationships 8
GENERAL DEVELOPMENT OF THE BUSINESS **9**
Three Year History and Significant Acquisitions 9
DESCRIPTION OF THE BUSINESS **13**
Material Mineral Properties 13
Santo Tomas Report Summary 14
Specialized Skills and Knowledge 43
Competitive Conditions 43
Cycles 43
Economic Dependence 44
Employees 44
Environmental Protection 44
Foreign Operations 44
Bankruptcy and Similar Procedures 44
Reorganizations 44
Social or Environmental Policies 44
RISK FACTORS **45**
DIVIDENDS AND DISTRIBUTIONS **53**
CAPITAL STRUCTURE **53**
MARKET FOR SECURITIES **54**
Trading Price and Volume 54
ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER **55**
DIRECTORS AND OFFICERS **55**
Name, Occupation and Security Holding 55
Cease Trade Orders, Bankruptcies, Penalties or Sanctions 57
Conflicts of Interest 58
Audit Committee Information 59
LEGAL PROCEEDINGS **61**
REGULATORY ACTIONS **62**
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS **62**
TRANSFER AGENT AND REGISTRAR **62**
MATERIAL CONTRACTS **62**
INTEREST OF EXPERTS **62**
ADDITIONAL INFORMATION **64**

PRELIMINARY NOTES

Date of Information

Unless otherwise indicated, all information contained in this Annual Information Form ("**AIF**") of Oroco Resource Corp (the "**Company**") is as of May 31, 2024.

Financial Statements and Management Discussion and Analysis

This AIF should be read in conjunction with the Company's audited consolidated financial statements and related notes thereto for the year ended May 31, 2024 and the interim consolidated financial statements and related notes for the six months ended November 30, 2024 (jointly, the "**Financial Statements**"), as well as the accompanying Management's Discussion and Analysis ("**MD&A**") for such periods. The Financial Statements and MD&A are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR+**") at www.sedarplus.ca under the Company's profile.

Documents Incorporated by Reference

Incorporated by reference into this AIF are the following documents:

- A report entitled "*Santo Tomas Copper Project NI 43-101 Technical Report and Preliminary Economic Assessment Update*" with an effective date of August 20, 2024 (the "**Santo Tomas Report**") prepared by Ausenco Engineering USA South Inc. ("**Ausenco**")

- The Financial Statements and accompanying MD&A for each of the financial year ended May 31, 2024 and the six months ended November 30, 2024.

Copies of documents incorporated by reference are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this AIF to the extent that a statement contained in this AIF or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not constitute a part of this AIF, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Scientific and Technical Information

Unless otherwise indicated, scientific and technical information in this AIF has been reviewed and approved by Andrew Ware, RM SME (Registered Member of the Society for Mining, Metallurgy & Exploration) and a "Qualified Person" ("**QP**") as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**").

Currency

All dollar amounts are expressed in Canadian dollars unless otherwise indicated. The Company's accounts are maintained in Canadian dollars. The daily rate of exchange as reported by the Bank of Canada for the conversion of one Canadian dollar into one United States dollar ("**US dollars**") on February 28, 2025, being the last business day prior to filing of this AIF, was $1.4438.

On November 29, 2024, the rate of exchange of the Canadian Dollar, based on the daily rate in Canada as published by the Bank of Canada, was US$1.00 = $1.401. Exchange rates published by the Bank of Canada, available on its website www.bankofcanada.ca, are nominal quotations - not buying or selling rates - and intended for statistical or analytical purposes.

Forward-looking Information

This AIF contains certain forward-looking statements and information relating to the Company and its operations that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate," "believe," "budget", "estimate," "expect", "intends", "plans", "potential" and similar expressions, as they relate to the Company or its management and operations, are intended to identify forward looking statements.

These forward-looking statements or information relate to, among other things: the Company's future financial and operational performance; the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds; the anticipated amount and timing of work programs; our expectations with respect to future exchange rates; the estimated cost of and availability of funding necessary for sustaining capital; forecast capital and non-operating spending; and the Company's plans and expectations for its property, exploration and community relations operations. These forward-looking statements and information reflect the Company's current beliefs as well as assumptions made by, and information currently available to the Company and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic, competitive, political, regulatory, and social uncertainties and contingencies. These assumptions include: cost estimates for exploration programs; cost of drilling programs; prices for base and precious metals remaining as estimated; currency exchange rates remaining as estimated; capital estimates; our expectation that work towards the establishment of mineral resource estimates and the assumptions upon which they are based will produce such estimates; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions at our operations; no unplanned delays or interruptions in scheduled work; all necessary permits, licenses and regulatory approvals for our operations being received in a timely manner and can be maintained; and our ability to comply with environmental, health and safety laws, particularly given the potential for modifications and expansion of such laws. The foregoing list of assumptions is not exhaustive.

Forward-looking statements and information involve known and unknown risk, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Although the Company has attempted to identify important factors that could cause actual results or events to differ materially from those expressed or implied in the forward-looking statements (see "Risk Factors" in this AIF), there may be other factors which could cause results not to be as anticipated, estimated, described, or intended. Investors are cautioned against attributing undue certainty or reliance on forward-looking statements or information.

Forward-looking statements and information contained herein are made as of the date of this AIF and the Company does not intend, and disclaims any obligation to update or revise forward-looking statements or

information, whether as a result of new information, future events or to reflect changes in assumptions or in circumstances or any other events affecting such statements or information, other than as required by applicable law.

Note to United States Investors Regarding Classification of Mineral Resource Estimates

The disclosure in this AIF has been prepared in accordance with the requirements of Canadian securities laws. Technical and scientific disclosure regarding the Company's property has been made in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards on Mineral Reserves and Mineral Resources (the "**CIM Definition Standards**"), which establish standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101 and the CIM Definition Standards, differ significantly from the requirements of the United States Securities and Exchange Commission.

Accordingly, information contained in this AIF containing descriptions of the Company's mineral property may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

GLOSSARY OF TERMS

For ease of reference, the following factors for converting metric measurements into imperial equivalents are as follows:

Metric Units	Multiply By	Imperial Units
Hectares	2.471	= acres
Meters	3.281	= feet
Kilometers	0.621	= miles (5,280 feet)
Grams	0.032	= ounces (troy)
Tonnes	1.102	= tons (short) (2,000 lbs)
grams/tonne	0.029	= ounces (troy)/ton

Abbreviations

In this AIF, the abbreviations set forth below have the following meanings:

$	Canadian dollar	kg/t	kilograms per tonne
°	degrees	km^2	square kilometer
%	percent	m	meter
ag	silver	m^2	square meter
au	gold	mo	molybdenum
cu	copper	oz	ounce
ft	feet		
g/t	metric gram per metric tonne		
kg	kilogram		

Definitions

In this AIF, the following terms have the meanings set forth herein:

"**3496**" means 0973496 B.C. Ltd., a private BC company wholly-owned by the Company;

"**2023 PEA**" means the technical report titled "*Santo Tomas Copper Project NI 43-101 Technical Report and Preliminary Economic Assessment*" with an effective date of October 11, 2023

"**AIF**" means this annual information form of the Company for the year ended May 31, 2024;

"**Altamura**" means Altamura Copper Corp., a private BC company wholly-owned by the Company;

"**Audit Committee**" means the Company's audit committee of the Board of Directors;

"**Aureum**" means Aureum Holdings Corp., a private BC company wholly owned by the Company;

"Ausenco" means Ausenco Engineering USA South Inc.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended and supplemented from time to time;

"**Board of Directors**" means the board of directors of the Company;

"**CEO**" means the Chief Executive Officer of the Company;

"**CFO**" means the Chief Financial Officer of the Company;

"**Common Shares**" means the common shares without par value in the capital of the Company;

"**Core Concessions**" means the Bob, Esme, Karisu, Karisu Fracc 1, Roberto Verde, Santo Tomas, and Tona mineral concessions totaling 1,172.9 ha comprising the core of Santo Tomas;

"**mineralization**" means, in exploration, a reference to a notable concentration of metals and their associated mineral compounds, or a specific mineral, within a body of rock;

"**MRE**" means mineral resource estimate;

"MX" means Minera Xochipala S.A. de C.V., a private Mexican company wholly-owned by the Company;

"**NI 43-101**" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

"**NI 52-110**" means National Instrument 52-110 *Audit Committees*;

"**Oroco**", "**Company**", "**we**" and "**our**" means Oroco Resource Corp.;

"**PEA**" means preliminary economic assessment;

"**Peripheral Concessions**" means the La China II, Amp. Santo Tomas Reduccion 1, Rossy, Rossy 1, Papago Fraccion 1, and Papago 17 mineral concessions surrounding the Core Concessions;

"**Santo Tomas**" or the "**Project**" means a property located in the states of Sinaloa and Chihuahua, northwest Mexico consisting of the seven Core Concessions and the six Peripheral Concessions, totaling 9,034.17 ha, as further described in *Description of the Business – Santo Tomas*;

"**Santo Tomas Report**" means the "*Santo Tomas Copper Project NI 43-101 Technical Report and Preliminary Economic Assessment Update*" prepared by Ausenco, with an effective date of August 15, 2024

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval;

"**Subsidiaries**" means Aureum, 3496, Altamura, XG and MX, being companies wholly-owned or majority-owned by the Company;

"**TSX-V**" means the TSX Venture Exchange;

"**XG**" means Xochipala Gold S.A. de C.V., a Mexican company the Company has 95% ownership of; and

"**XG Shares**" means the common shares in the capital of XG;

NI 43-101 Definitions

Canadian reporting requirements for disclosure of mineral properties are governed by NI 43-101. The definitions in NI 43- 101 are adopted from those given by the CIM.

Qualified Person	The term "Qualified Person" refers to an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development, production activities and project assessment, or any combination thereof, including experience relevant to the subject matter of the project or report and is a member in good standing of a self-regulating organization.
Mineral Resource	The term "Mineral Resource" refers to a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material including base and precious metals, coal and industrial minerals in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
Inferred Mineral Resource	The term "Inferred Mineral Resource" refers to that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and limited sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. The estimate is based on limited information and sampling gathered through appropriate sampling techniques from locations such as outcrops, trenches, pits, workings and drill holes.
Indicated Mineral Resource	The term "Indicated Mineral Resource" refers to that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with sufficient confidence to allow the appropriate application of modifying factors (including, but not limited to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environment, social and governmental factors) in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable

	exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to reasonably assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a "Measured Mineral Resource" and may only be converted to a "Probable Mineral Reserve".

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on July 7, 2006 under the *Business Corporations Act* (British Columbia) ("**BCBCA**") under the name "Oroco Resource Corp." The principal offices of the Company are located at Suite 1201, 1166 Alberni Street, Vancouver, British Columbia, Canada, V6E 3Z3. The Company's registered and records office is also located at Suite 1201 – 1166 Alberni Street, Vancouver, B.C., V6E 3Z3.

The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario. The Company's Common Shares are listed for trading on the TSX-V under the symbol "OCO", on the OTCQB under the symbol "ORRCF", and on the Frankfurt Exchange under the symbol "OR6".

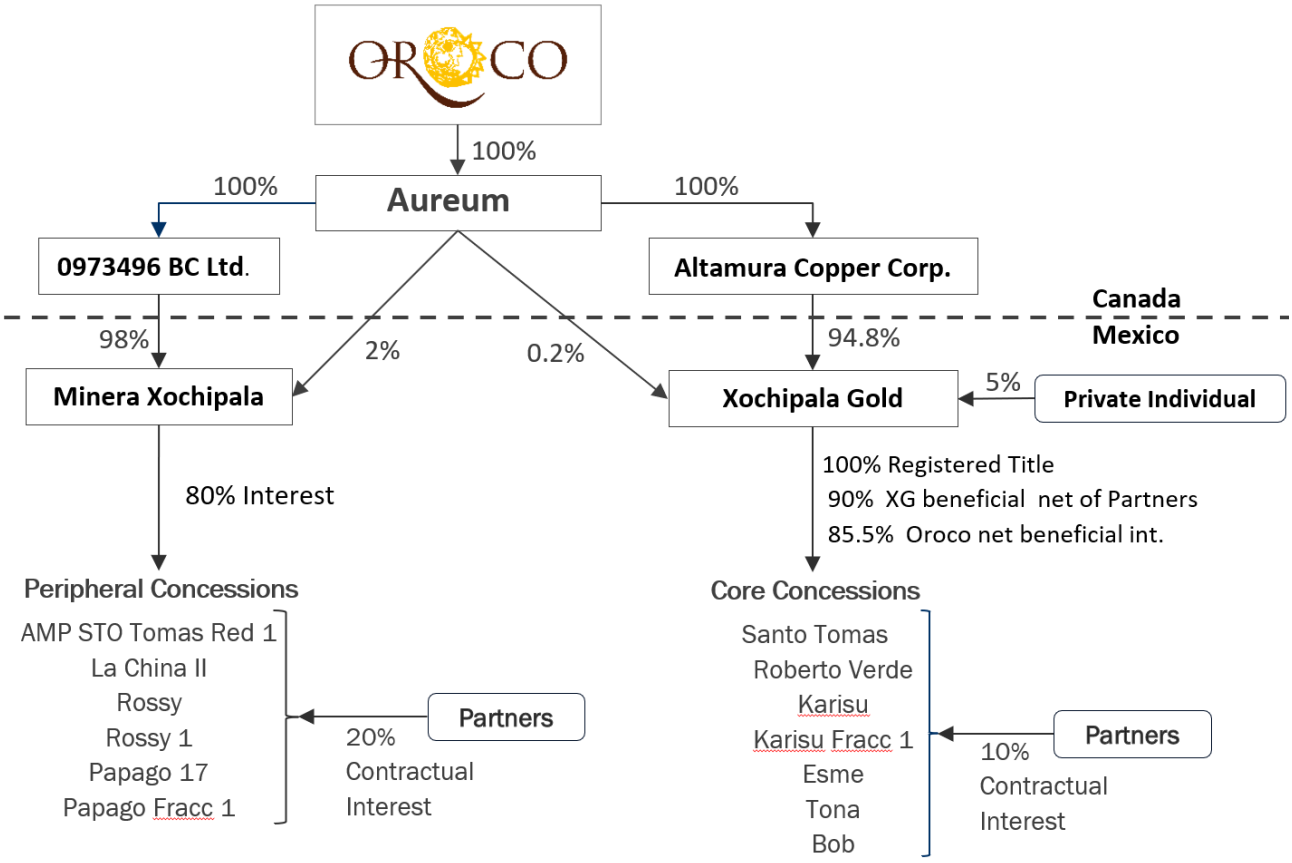
Inter-Corporate Relationships

Each of the Company's Canadian subsidiaries, Aureum Holdings Corp. ("**Aureum**"), 0973496 B.C. Ltd. ("**3496**") and Altamura Copper Corp. ("**Altamura**") were incorporated under the BCBCA. The Company's Mexican subsidiaries, Minera Xochipala S.A. de C.V., ("**MX**") and Xochipala Gold S.A. de C.V., ("**XG**") were incorporated in Mexico under the Mexican General Law of Commercial Companies.

The following diagram illustrates the organizational structure of Oroco, including its subsidiaries, as of the date of this AIF. Certain subsidiaries have been excluded where the total assets of that subsidiary do not exceed 10% of the consolidated assets of Oroco or, for the omitted subsidiaries together, in aggregate of 20% of the consolidated assets of Oroco.

[*Remainder of page left blank*]

Corporate Structure



GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History and Significant Acquisitions

Set out below is a summary of how the Company's business has developed over the last three completed financial years. In accordance with Form 51-102F2 *Annual Information Form*, the below summary includes only events, such as acquisitions or dispositions, or conditions that have influenced the general development of the business.

The Company is a mineral exploration company focused on the exploration and development of Santo Tomas in the municipality of Choix in the states of Sinaloa and Chihuahua, in northwest Mexico. Santo Tomas is composed of the seven Core Concessions totaling 1,172.9 ha and the six Peripheral Concessions, totalling 7,861.28 ha, for a total of 9,034.17 ha. Through its Subsidiaries, the Company holds an 86.5% net interest in the Core Concessions and an 80% interest in the Peripheral Concessions.

The Company's activity over the last three completed financial years has focused on the exploration, including drilling, and completion of preliminary economic assessments of Santo Tomas and undertaking financing activities to provide the funding for such activities.

On May 31, 2021, the Company's subsidiary, XG, owned a 100% registered interest in the Core Concessions. The Company's other Mexican subsidiary, MX, owned a 77.5% interest in the AMP STO Tomas Reducc 1, La China II, a 77.5% interest in the application for the Papago 17 concession, and an 80%

interest in the Papago Fracc 1 concession. The Company also held a right to acquire an 80% interest in the Rossy and Rossy 1 concessions.

Financial Year ended May 31, 2022

On June 1, 2021, the Company announced receipt of the final data from its 3D induced polarization geophysical survey at Santo Tomas which displayed a very extensive distribution of chargeability and resistivity features both within and beyond the confines of the historical work at Santo Tomas.

On June 23, 2021, the Company announced receipt of approval to conduct a camp construction and drilling program on the Brasiles Zone and the north end of the North Zone of Santo Tomas.

ON July 29, 2021, the Company announced commencement of its Phase 1 drilling program on the North Zone of Santo Tomas.

On November 17, 2021, the Company announced commencement of drilling in the Brasiles Zone of Santo Tomas and continuation of drilling in the North Zone.

On December 9, 2021, the Company announced the assay results of its first three drill holes in the North Zone, with all holes reporting significant intersections of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.18% to 0.56%, with the results confirming historical results reported in the cross-section drilled.

On January 13, 2022, the Company announced assay results from seven drill holes spanning 600 metres of strike length on the central spine of the North Zone mineral deposit from the continuing exploration program of Santo Tomas commenced in 2021, with all holes reporting significant intercepts of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.24% to 0.56%. The results are comparable to the historical results reported on each of the cross-sections drilled.

On March 29, 2022, the Company announced the appointment of Richard Lock as the Company's chief executive officer, with Craig Dalziel, the Company's prior CEO, assuming the role of Executive Chairman.

On April 20, 2022, the Company announced assay results from four drill holes spanning an additional 300 metres of strike length along the central North Zone, with all holes reporting significant intercepts of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.22% to 0.82%. The results continued to be comparable to the historical results reported on each of the cross-sections drilled.

Financial Year ended May 31, 2023

On June 23, 2022, the Company announced assay results from the first five exploration drill holes on two regions of the Brasiles Zone of Santo Tomas. Two holes were drilled in an area (Brasiles Main Zone) where historical records cite three drill holes having been completed, without the results being available. No significant mineralization was intersected. Also announced were the assay results from three drill holes on the adjacent Brasiles West Zone, which reported significant intersections of mineralization below 400 metres returning average copper equivalent grades from 0.33% to 0.55%.

On July 15, 2022, the Company announced assay results from two drill holes on the northern end of North Zone of Santo Tomas, extending the drill strike length to 1,100 metres, with all holes reporting significant intercepts of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.22% to 0.49%.

On August 10, 2022, the Company, through its Mexican subsidiary MX, increased its interest in the Papago 17 mineral concession from a 77.5% interest in the application for the concession acquired in 2018 to an 80% interest in the granted concession, subject to a 1.5% net smelter royalty, in consideration for $100,000 Mexican pesos (approximately equivalent to C$6,377 as at August 10, 2022). The Papago 17 concession hosts the southern extension of the Santo Tomas mineralization zone.

On August 10, 2022, the Company, through its Mexican subsidiary MX, acquired an additional 2.5% interest in the AMP STO Tomas Reducc 1 and La China II, concessions, increasing its interest from 77.5% to 80%, and acquired an 80% interest in the Rossy and Rossy 1 mineral concessions in consideration for $1,484,077.95 Mexican pesos, (approximately equivalent to C$94,639.65 as at August 10, 2022) all subject to a 1.5% net smelter royalty.

On August 24, 2022, the Company announced assay results from four drill holes on the western side of North Zone, with all holes reporting significant intercepts of copper, molybdenum, gold and silver mineralization returning copper equivalent average grades from 0.28% and 0.68%.

On October 4, 2022, the Company announced assay results from eight drill holes, with three holes drilled at higher elevations on the west side of North Zone reporting significant intercepts of copper, molybdenum, gold and silver mineralization returning copper equivalent grades from 0.25% to 0.68%. Four holes were drilled along the central axis of North Zone, with all holes returning significant intercepts of copper, molybdenum, gold and silver mineralization reporting copper equivalent grades from 0.24% to 0.68%. One hole was drilled in the south end of the North Zone which returned a significant interval of copper, molybdenum, gold and silver mineralization reporting an average copper equivalent grade of 0.49%.

On October 25, 2022, the Company announced assay results from seven drill holes, with four holes drilled on the northern portion of North Zone reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.19% to 0.47%. Four holes were drilled along the central axis of North Zone, with all holes returning significant intercepts of copper, molybdenum, gold and silver mineralization reporting copper equivalent grades from 0.24% to 0.68%. Two holes were drilled on the Western Brasiles Zone of Santo Tomas, which reported significant intersections of mineralization below 400 metres returning average copper equivalent grades from 0.17% to 0.37%.

On November 10, 2022, the Company announced assay results from three drill holes targeting the south-central area of South Zone of Santo Tomas, with all three holes reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades between 0.27% and 0.39%.

On November 28, 2022, the Company announced assay results from seven drill holes in North Zone, with all holes reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.12% to 0.51%.

On January 11, 2023, the Company announced assay results from five drill holes in North Zone, with two holes drilled on the north-western area of North Zone reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.15% to 0.36%, and three holes drilled on the southern end of North Zone, with all three holes reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.23% to 0.60%.

On February 2, 2023, the Company announced assay results from fifteen drill holes in South Zone along two kilometres of strike length of South Zone. All drill holes reported significant intervals of copper,

molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.16% to 0.45%.

On March 29, 2023, the Company announced assay results from three drill holes in South Zone, with one drill hole in each of the north, middle and southern segments. All drill holes reported significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.19% to 0.81%.

On April 20 and 25, 2023, the Company announced the assay results from two drill holes in west side of North Zone, with both drill holes reporting significant intervals of copper, molybdenum, gold and silver mineralization returning average copper equivalent grades from 0.16% to 0.50%.

On May 3, 2023, the Company announced a total Indicated (487.3 million tons) and Inferred (599.9 million tons) Mineral Resource Estimate ("**MRE**") of 1,087 million tons with an average CuEq of 0.36% for the North Zone and South Zone of Santo Tomas.

On May 9, 2023, the Company announced the completion of its phase one drill program at Santo Tomas.

Financial Year ended May 31, 2024

On June 16, 2023, the Company announced its filing of the NI 43-101 technical report titled "*Santo Tomas Project NI 43-101 Technical Report Mineral Resource Estimate*", supporting the MRE announced on May 3, 2024.

On October 17, 2023, the Company announced a Preliminary Economic Assessment ("**PEA**") and updated MRE for the North Zone and South Zone of Santo Tomas supporting a staged open pit mine and processing plant starting at 60,000 tonnes per day generating a US$2.33 billion pre-tax net-present value ("**NPV**") (8%) and US$1.24 billion after-tax NPV (8%) and a 23.0% pre-tax internal rate of return ("**IRR**"); 17.3% after-tax IRR.

On December 1, 2023, the Company announced its filing of the NI 43-101 technical report titled "*Santo Tomas Copper Project NI 43-101 Technical Report and Preliminary Economic Assessment*", supporting the PEA and updated MRE announced on October 17, 2023.

Subsequent Events

On August 20, 2024, the Company announced a revised PEA and updated MRE for the North Zone and South Zone of Santo Tomas supporting a staged open pit mine and processing plant starting at 60,000 tonnes per day and expanding to 120,000 in year 8, generating a US$2.64 billion pre-tax NPV (8%); US$1.48 billion after-tax NPV (8%), and a 30.3% pre-tax IRR; 22.2% after-tax IRR.

On August 26, 2024, the Company announced its filing of the NI 43-101 technical report titled "*Santo Tomas Copper Project NI 43-101 Technical Report and Preliminary Economic Assessment*", supporting the PEA and updated MRE announced on August 20, 2024.

Financings

On March 25, 2022, the Company announced the closing of a private placement with a total of 10,708, 696 units issued at a price of $1.70 per unit, for gross proceeds of $18,204,783. Each unit consist of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 24 months at a price of $2.40 per share.

On March 17, 2023, the Company announced the closing of a private placement of 6,344,970 units issued at a price of $0.75 per unit, for gross proceeds of $4,758,728. Each unit consists of one Common Share and one-half of one Common Share purchase warrant, with each full warrant exercisable into one additional Common Share of the Company for a period of 24 months at a price of $1.05 per share.

On August 15, 2023, the Company announced the closing of a private placement of 2,692,308 units issued at a price of $0.65 per unit, for gross proceeds of $1,750,000. Each unit consists of one Common Share and one-Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 24 months at a price of $0.90 per share.

On November 30, 2023, the Company announced the closing of a private placement of 6,729,850 units issued at a price of $0.40 per unit, for gross proceeds of $2,691,940. Each unit consists of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 18 months at a price of $0.65 per share.

On January 16, 2024, the Company announced the closing of a private placement of 3,635,757 units at a price of $0.40 per unit, for gross proceeds of $1,454,304. Each unit consists of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 18 months at a price of $0.65 per share.

On February 20, 2024, the Company announced the closing of a private placement of 2,570,000 units at a price of $0.40 per unit, for gross proceeds of $1,028,000. Each unit consists of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 18 months at a price of $0.65 per share.

On June 6, 2024, the Company announced the closing of a brokered private placement of 14,051,127 units at a price of $0.45 per unit, for gross proceeds of $6,323,007. Each unit consists of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 24 months at a price of $0.65 per share.

On March 3, 2025, the Company announced the closing of a non-brokered private placement of 9,214,223 units at a price of $0.25 per unit, for gross proceeds of $2,303,555. Each unit consists of one Common Share and one Common Share purchase warrant exercisable into one additional Common Share of the Company for a period of 24 months at a price of $0.40 per share.

DESCRIPTION OF THE BUSINESS

The Company is a mineral exploration company, and its principal business activity is the exploration and evaluation of Santo Tomas in the municipality of Choix in the states of Sinaloa and Chihuahua, Mexico. Santo Tomas is composed of seven Core Concessions totaling 1,172.9 ha, and six Peripheral Concessions totaling 7,861.28 ha, for a total property size of 9,034.17 ha.

Material Mineral Properties

The Company is focused on the exploration and development of its Santo Tomas project in Sinaloa and Chihuahua States, Mexico.

In August 2024, the Company announced a revised PEA and updated MRE for the North Zone and South Zone for Santo Tomas and filed the supporting Santo Tomas Report. The PEA results support a staged open pit mine and processing plant starting at 60,000 tonnes per day ("**t/d**") in year 1 of production, expanding

to 120,000 t/d in year 8 over a 22.6-year Life of Mine ("**LOM**"). The Santo Tomas Report has been prepared by Ausenco Engineering USA South Inc., Ausenco Engineering Canada, ULC and Ausenco Sustainability, ULC (collectively "**Ausenco**"). The updated MRE, geological model, geotechnical modelling, mine planning and mine cost components in the Santo Tomas Report were prepared by SRK Consulting (US), Inc. and SRK Consulting (Canada) (collectively "**SRK**").

The Santo Tomas Report replaces the previous PEA released in October 2023.

Highlights of the Santo Tomas Report

- US$2.64 billion pre-tax NPV (8%) and US$1.48 billion after-tax NPV (8%).
- 30.3% pre-tax IRR, and a 22.2% after-tax IRR.
- Total LOM payable copper production of 4,774 M lb. (with by-products some 5,380 M lb Cu Eq)
- Pre-tax payback of 2.9 years; after-tax payback of 3.8 years from first concentrate production.
- Initial capital costs estimated at US$1,103.5 million; sustaining and expansion capital costs estimated at US$1,734.1 million.
- Average annual LOM C1 Cash Cost of US$1.54/lb. Cu on by-product basis.
- An ultimate pit design constrained resource of 377 Mt of Indicated and 448 Mt of Inferred material.
- LOM strip ratio is 1.38.

See *Santo Tomas Report Summary* below for further details.

Santo Tomas Report Summary

The following is a summary of the Santo Tomas Report. The information contained in this summary has been derived from the Santo Tomas Report and is subject to certain assumptions, qualifications and procedures described in the Santo Tomas Report, and is qualified in its entirety by reference to the full text of the Santo Tomas Report which has been filed with the applicable Canadian securities regulatory authorities and is available on the Company's SEDAR+ profile at www.sedarplus.ca.

Introduction

The Santo Tomas Report was prepared as a NI 43-101 technical report on a PEA for the Company by Ausenco and SRK on the Santo Tomas Project.

The responsibilities of the engineering companies who were contracted by the Company to prepare the Santo Tomas Report are as follows:

- Ausenco managed and coordinated the work related to the report. Ausenco reviewed the metallurgical test results, site-related environmental studies, site topography (including developing an overall site water balance) and permitting status to develop a PEA-level design, recovery methods, PEA-level capital and operating cost estimates and financial analysis for the Project's requisite process plant along with the general on- and off-site infrastructure including the tailings and waste rock storage facilities.

- SRK completed the data verification work and developed the Mineral Resource Estimate and Statement for the Project. This included data verification of the drilling, exploration program, sample preparation and analysis, and geological interpretation. SRK also developed the mine plan

and associated mine cost model. SRK completed work in collaboration with Oroco site personnel related to geological setting, deposit type, exploration, and mapping work.

Property Description, Location, and Access

The Santo Tomas Project is in the municipality of Choix, in northern Sinaloa State, Mexico. The Project is centered at latitude 26°53'00" North (N) and longitude 108°11'30" West (W). The Project comprises concessions with a total of 1,172.9 hectares (ha), covering the initial area of exploration and the area of the Santo Tomas North and South porphyry copper mineralization.

Access to the Project is by way of a 170-kilometer (km) paved highway and a two-lane road from the Pacific Ocean Port of Topolobampo, through the city of Los Mochis to the northern town of Choix. The southern end of the Project is reached either by an access road, originally built to service the El Sauzal Mine of Goldcorp in the state of Chihuahua or by using the current access road that passes through Cajón de Cancio and Rancho La Soledad. Total distance from El Ranchito to the Project site is 38 km along mostly unimproved but maintained dirt roads.

The Project area is mountainous and part of the southwestern Sierra Madre Occidental (SMO). The topography of the area is deeply incised. Steep-walled valleys rise in elevation from Río Fuerte, at 220 meters above sea level (masl), to 1,340 masl at the El Bienestar Ranch.

Mineral Tenure and Ownership

One hundred percent of the legal title of the Core Concessions Santo Tomas, Bob, Roberto Verde, Esme, Karisu, Karisu Fracc 1 and Toña, have been registered to Xochipala Gold (XG), an Oroco subsidiary since March 2, 2020 (1,172.9 ha). Oroco indirectly (via subsidiaries) holds 95% of the issued shares of XG (5% are held by a Mexican individual). XG's 100% legal title is subject to a 10% contractual (not registered) interest in favour of third parties. Oroco holds a net 85.5% interest in the Core Concessions (95% in XG multiplied by 90% net interest in the concessions).

Geological Setting, Mineralization, and Deposit Types

Porphyry copper (Cu), molybdenum, gold, and silver (Mo-Au-Ag) mineralization on the Project is closely associated with intrusives linked to the Late Cretaceous to Paleocene (90 to 40 Ma) Laramide orogeny. Santo Tomas and most of the known porphyry copper deposits in Mexico lie along a 1,500 km-long, NNW trending belt sub-parallel to the western coast of Mexico extending from the southwestern United States through to the state of Guerrero in Mexico. The tectonomagmatic evolution of this belt is linked to the accretion of allochthonous terranes, onto the continental margin of North America in the Mesozoic and earliest Cenozoic, the largest represented by the Guerrero Composite Terrane. More specifically, the Santo Tomas Project lies within the Tahue Terrane, a subterrane of the Guerrero Composite Terrane. This comprises a basement of Paleozoic accreted sedimentary rocks and Triassic rift-related, meta-igneous rocks. These basement strata are unconformably overlain by Middle Jurassic and Early Cretaceous age arc-related rocks of the Guerrero Arc (Ortega-Gutiérrez et al., 1979; Henry and Fredrikson, 1987; Roldán-Quintana et al., 1993; Freydier et al., 1995). Island arc-related strata, comprising volcanic and volcaniclastic sequences of oceanic affinity and associated intrusive plutonic suites were accreted onto North America in the Late Cretaceous during the Laramide orogeny (Campa and Coney, 1983; Centeno-García et al., 1993). Exposed batholiths and associated stock and dykes form a NW-SE trending belt; the most extensive represented by the Sinaloa-Sonora Laramide batholith complex (Anderson and Silver, 1969; Gastil and Krummenacher, 1977; Valencia-Moreno et al., 2003; Ramos-Velázquez et al., 2008). Laramide contraction was followed by Basin and Range Province extension. This was associated with the eruption and deposition

of an extensive middle Cenozoic (Tertiary) volcano-sedimentary sequence, the SMO volcanic province, comprising andesitic volcaniclastics and flows, rhyolite ignimbrites, and intercalated sediments.

In the Santo Tomas area, Mesozoic-aged country rocks, comprising limestone, marble bodies, sandstones, and large volumes of andesitic volcanic rocks were intruded by a range of Laramide-age intrusions including the extensive Sinaloa- Sonora Batholith. Multiple phases are recognized ranging from dioritic to monzonitic in composition. At Santo Tomas, the dominant intrusive lithology, closely associated with mineralization, is a Late Cretaceous (~75 Ma) quartz-monzonite. Mineralization is strongly structurally controlled by the Laramide-age deformation which controlled both the emplacement of the quartz-monzonite dyke system and related hydrothermal alteration, hydrothermal breccias, and sulphide mineralization. Sulphides are dominated by pyrite-chalcopyrite–(molybdenite) with minor bornite, covellite, and chalcocite distributed in quartz-monzonite and altered andesite country rock. Alteration comprises extensive zones of potassic, phyllic, propylitic, silica-albite and argillic hydrothermal alteration. Mineralization forms a tabular, south- southeast (SSE) striking, west-southwest (WSW) dipping zone primarily defined by finely disseminated sulphides and fracture-fillings with subordinate sulphides hosted in stockwork quartz veinlets. Minor mineralization is associated with skarn and replacement-style mineralization in the hanging wall limestone. Copper oxides occur near the surface.

Oroco, together with SRK, undertook a detailed mapping campaign on the Project. All mapping data were compiled into an ArcGIS project, comprising lithology and structural orientation data, and included active links to field photographs. All data were imported into 3D software (Leapfrog GeoTM) and integrated with high-resolution drone data, lineament analysis data, geophysics data and drill hole data to further constrain lithology domains, contacts and structures and inform the lithostructural modeling and resource modeling process.

History – Exploration Programs

Santo Tomas has attracted the attention of mining companies since the late 1960's, though artisanal mining is evident in the main zone of mineralization. These workings are believed to date back to the early 1900's. Workings observed, typically exploited high-grade oxide copper (Ox-Cu) mineralization hosted in what appear to be breccias associated with mass wasting and collapse of large sections of limestone. Extensive zones of oxide copper at surface were likely the original attraction to the area.

Numerous companies carried out significant drilling programs and evaluation efforts. These drilling programs, resource estimates and mining engineering studies initially formed the basis for the re-evaluation of the deposit by Oroco. Approximately 60% of historic core was available. Historical engineering work culminated in a series of metallurgical test work, historic resource estimations based on an additional 4,000 m of drilling in 40 holes completed in 1993/94 (33 reverse circulation drill holes +7 diamond drill holes).

In 2010, John Thornton (Thor Resources LLC) compiled all the historical documentation and issued a MRE This resource is classified as an historical estimate the qualified person has not done sufficient work to classify the historical estimate as current. The mineral resources are superseded by the resource presented in section 14 of the Santo Tomas Report. The exploration history is summarized in Table 1-1.

[*Remainder of page left blank*]

Table 1-1: ..... Project Historical Work and Studies

Year	Company	Work	Results
Early 1900's	Artisanal Miners	High-grade Ox-Cu Mining	No information on tonnes of material removed
1968 to 1971	ASARCO	Road Building and drilling, 43 vertical diamond core holes and 16 vertical rotary percussion holes, 15,088 m total drilling	Property relinquished in 1973 after spending 1 million dollars
1973 to 1977	Tormex - Peñoles	26 ASARCO holes re-logged. 5,336 m of 1/2 core split and assayed. 2,401 m of new drilling in 7 holes	New resource estimation undertaken. No information available. Property relinquished
1973	Davidge and Clark	Preliminary Geology and Mineralization of the Choix Area	Presumably data collected was captured by the governmental mapping program
1975	Lakefield Research (Canada)	Metallurgical test work, microscopic evaluation & recovery of Cu	Chalcopyrite is 3% weight of sample and 95% of rougher flotation Cu recoveries for grind size 60% minus 200 mesh, head grade 1% Cu
1990	Esmeralda Group	Review and updating geological sections and plans	No information available
1991	Minera Real De Ángeles	Re-logged 12 ASARCO holes and re-assayed 2 holes	There was a correlation between new assay results and those reported previously
1992	Exall Resources Limited	Acquired property	--
1993	Exall Resources Limited	4,000 m of 33 reverse circulation drill holes and 7 diamond drill holes	MRE completed
1993	Exall Resources Limited	Bateman Engineering Inc. retained to undertake a Prefeasibility Study (PFS)	Metallurgy and Mine plan produced
1994	Exall Resources Limited	Metallurgical test work performed by Minetek S.A. de C.V. and Mountain States Research and Development	Test work indicated 90.7% Cu recovery rate using standard concentration methods at 200 mesh resulting in a 28% Cu concentrate from a 0.56% Cu feed grade composite sample
1994	Exall Resources Limited	Preliminary pit constrained mineral resource developed on previous Tormex and ASARCO drilling	Deposit evaluated as two pits: North and South. An estimate of the mineral resources was reported
2011	Thor Resources LLC	Technical Report and mineral resource estimation (historical)	MRE completed

History – Drilling

Drilling campaigns were conducted by ASARCO, Tormex, and Exall Resources Limited ("**Exall**") between 1968 and 1993, with the most recent pre-Oroco drilling completed by Exall in 1993. A total of 106 drill holes (reverse circulation, percussion, and diamond drill holes, collectively the 'historical' or 'legacy' drill holes) were completed on the Project (Thornton, 1994). ASARCO completed sixteen percussion holes in the late 1960s to early 1970s, but the logs and results for these holes have not been identified (Spring, 1992). The historical Santo Tomas drill hole database contains information on 90 drill holes (reverse circulation and diamond drill holes), totaling 21,075 m of lithological data, including 7,244 Cu assays.

Reverse circulation holes drilled up to 1991 are designated herein as the "STD series" drill holes. Exall an additional 40 holes up to 1994, designated herein as the "STE series" drill holes. See Table 1-2.

Table 1-2: Historical and Oroco Drilling Campaigns, Total Assays, Holes and Meters Drilled

Historical Drilling	No. of Assays	No. Drill holes	Total Length (m)	Average Length (m)
STD series to 1991	4,707	50	16,004	320
STE series, to 1994	2,537	40	5,071	127
Total Drilling	7,244	90	21,075	234

Current Exploration

Exploration work undertaken by Oroco from 2017 to 2019 is described in Bridge (2020). Since 2019, Oroco conducted an exploration program consisting of remote sensing, and airborne and ground geophysical surveys in preparation for a resource drilling campaign at North and South Zones. With the commencement of resource drilling, surface exploration works mostly comprised selective geological mapping and a seven-drill hole exploration drilling initiative, campaigned at Brasiles. Surface sampling on the outcropping copper oxides in the North Zone aided in the definition of an inferred oxide resource. The location of each major contracted remote sensing and geophysical survey is displayed in Section 9 of the Santo Tomas Report.

Remote sensing work included an airborne LiDAR survey used to update and improve the resolution, accuracy, and precision of the Project digital elevation model and orthophotography record. The 342 km^2 LiDAR survey over the Project was flown during the April dry season of 2021. Oroco has used the products of the LiDAR survey to compile a master digital elevation model/digital terrain model (DEM / DTM) for the Project, where it has been used in the Project GIS and three-dimensional (3D) modeling platforms.

Geophysical surveys focused on an airborne magnetometry survey (with surface radiometric emission sensors and very low frequency-electromagnetic (VLF-EM) transmissions receivers) and a targeted (area-constrained) ground-based 3D direct current (DC) electrical resistivity and induced polarization (DCIP) survey. The selection of these geophysical products provided a broad geophysical interpretation of the site's major lithologies (by acquiring passive magnetics and radiometric measurements, especially of potassium (K)), major geological structures (from VLF and resistivity contrasts) and metal-sulphide mineralized units (from chargeability measurements). Secondary alteration was also evidenced in electrical data sets (resistivity) and in alteration forming secondary magnetic iron oxides (magnetics, magnetic remanence effects). Table 1-3 presents the previous technical work and studies resulting from Oroco's drilling and exploration campaigns between 2017 to 2023.

Table 1-3: ..... Technical Work and Studies by Oroco

Year	Work	Results
2017 – 2019	Access road rebuilding, surveying, field mapping, and radar data acquisition	Enhanced access, accurate data collection, improved geological understanding
2019	Remote sensing, airborne and ground geophysical surveys exploration program	Defined drilling program
2020	Field geological and structural mapping	Mineral Resource Estimation (historical) Technical Report
2022	Detailed structural mapping program (SRK)	Updated geological and structural map
2021-2023	Core Drilling Program	MRE completed
2022/2023	Regional geological modeling and structural modeling	Used for resource estimation
2022-2023	Metallurgical Test work Program	Developed process design criteria

2023	Mineral resource revised and process flowsheet development	MRE and Preliminary Economic Assessment (PEA) completed

The helicopter-borne magnetics survey comprised approximately 2,022-line km of traverse line flying at a line spacing of 50 m with a 500 m tie-line spacing, totaling approximately 252-line km. A magnetic susceptibility inversion model was developed from the airborne magnetics dataset to assist with exploration and targeting of porphyry Cu mineralization.

A 3D DCIP ground survey of the Project, ultimately covering some 22 km^2 was undertaken between September 2020 and March 2021. The final dataset, with approximately 715,000 pole-dipole data points over the grid, enabled the generation of an unconstrained inversion model that defined areas of chargeability and resistivity (conductivity). These domains were a critical targeting tool for the resource and exploration drilling. A constrained model was subsequently developed and has been used to assist with the definition of major structural features.

Geological mapping and surface channel sampling, as well as the location of historical artisanal mining adits, has been undertaken in support of Project exploration.

Drilling

Commencing on July 28, 2021, continuing through March 28, 2023, Oroco completed its Phase 1 drilling campaign which consisted of 76 diamond drill holes with a total of 48,480.88 m. Seven of these holes were drilled for exploration purposes at the Brasiles Zone (5,116.36 m) and have been excluded from consideration in the resource estimation presented in Section 14, as was drill hole GT001, a recent geotechnical hole drilled by Oroco (Table 1-4). The resource estimation reported in the Santo Tomas Report was made using assay data from 68 (43,063 m) of the Phase 1 Oroco drill holes combined with available legacy Cu assay results (29,992 Cu assays in total).

Table 1-4: .....Oroco Drill Hole Inclusion/Exclusion Table

Inclusion status	Drill holes	Meters
Included	ST21-N001 to ST21-N010, N11 to N047, S001 to S021	43,063
Excluded	GT001, B001 to B007	5,418
Total	**76**	**48,481**

Drill holes ST21-N001 through ST21-N010 and N011 through N047 are located in the Project's North Zone. Holes S001 through S021 are located in the South Zone. Holes B001 through B007 are exploration holes drilled at the Brasiles prospect (a.k.a. Brasiles). Hole GT001 is the first (and so far, the only) geotechnical drill hole on the Project and is located in southern North Zone. Holes B001-B007 and GT-001 are excluded from the mineral resource.

The now complete Phase 1 drilling campaign, undertaken by Oroco (2021 – 2023), has confirmed and extended the distribution of known mineralization at North and South Zones, allowing for the calculation of the resource estimate being presented in this report (albeit the resource estimate excludes hole GT001). B003 is the first significantly mineralized hole for which Oroco has copper assays in the Brasiles prospect area and so represents the discovery hole at Brasiles.

The latest drilling program statistics (Table 1-5) reflect longer drill holes in general. The change in drill hole orientation to angled rather than vertical, as in previous historical campaigns, increased hole lengths. In general, the new holes were drilled to terminate in the footwall andesites, and not left terminating in

mineralization. The Oroco drill holes were drilled approximately orthogonal to the mineralization strike and dip based on new geological models developed using the historical drilling.

Table 1-5: ..... 2021-2023 Core Drilling Program Undertaken by the Oroco Program and Used in the Resource Estimation

Oroco 2021-23 Drilling	No. of Assays	No. Drill holes	Total Length (m)	Average Length (m)
North Zone	14,618	47	30,909	657
South Zone	5,503	21	12,154	578
Total Drilling	20,121	68	43,063	633

Sample Preparation, Analysis, Security and QA/QC

Sample preparation, analysis, security, and quality assurance/quality control (QA/QC) at Santo Tomas protocols have been reviewed by the QP for the Oroco programs and are considered to follow CIM Mineral Exploration Best Practice Guidelines (2018). There is full chain-of-custody (COC) documentation from the drill rig to the assay laboratory. Drill core cutting, sampling and insertion of standards is fully documented and follows on-site Standard Operating Procedures (SOP). Drill core and standards are held in limited access, locked facilities.

All pulps and coarse rejects from the Oroco drilling program are returned to Choix, cataloged, and stored in a built-for- purpose locked facility. Sample pulps are stored in locked containers. Coarse rejects are stored in large plastic, metal reinforced containers. Drill core samples are fully cataloged, and labeled drill core boxes are stored by hole number under cover in a locked facility.

The submission rate of blanks, Certified Reference Materials (CRMs) and pulp/core/coarse reject duplicates is to industry standard. Lab failures are resolved with re-assays as required according to the Santo Tomas SOP. Results are not publicly released until QA/QC is completed.
Specific gravity (SG), point load, magnetic susceptibility, and Uniaxial Compressive Strength (UCS) data are collected under sampling programs defined in Santo Tomas SOP. Required calibrations and calibration frequencies for the sampling equipment are also defined in the SOPs. Spectral scanner data is collected on a systematic basis to resolve alteration and lithology if needed. Potassium Feldspar staining is undertaken to verify alteration when required.

Drill core logging, cutting, sampling a submission occurs under a well-designed and controlled program.

Data Verification

The QP reviewed Oroco's internal quality control program for analytical data and drilling survey confidence. The current procedures and protocols in place for data collection and validation are considered acceptable for use in mineral resource estimation.

The QP performed an independent review and validation of a select number of analytical samples to check for congruence and accuracy with the provided drilling database on the Project. Five percent (5%) of assay intervals were manually checked with original digital assay certificates from the laboratory. All checked assays were deemed acceptable and align with laboratory reported values.

The QP performed statistical analyses on the drilling database to check for potential erroneous data in the collar, down- hole survey, geology/lithology, specific gravity, and assay tables. The review included calculation of descriptive statistics, multiple charts, and review of potential outlier and erroneous data. This validation check aimed to identify errors common among drilling databases including use of zero value,

treatment of below detection limits, negative or non-numeric values, extreme outlier identification, and interpretation of the distribution of mineralization across the Project.

Mineral Processing and Metallurgical Testing

Metallurgical testing of Santo Tomas mineralized materials and host rocks began in 1975 (Bateman, 1994) with a limited amount of metallurgical flotation and acid leaching test work conducted between 1991 and 1994 to support the Prefeasibility Study that Bateman Engineering Incorporated prepared for Exall published in 1994. Ausenco's review of the previous test work found much of it to be conceptual in nature and not suitable to support a modern technical study. As such, a recent test work program was employed to represent an open pit operation proposed for Santo Tomas that would utilize current froth flotation methodology and reagents to produce saleable copper and molybdenum concentrates. Nine spatially representative variability samples were selected from the 2022 drilling campaign and shipped to ALS Metallurgy in Kamloops, BC for subsequent testing in Q3 2022. A Master Composite was then assembled from portions of selected samples to achieve a target feed grade of 0.34 percent copper.

The results of the recent test work program are summarized below:

Mineral composition was measured for all samples using QEMSCAN techniques. Chalcopyrite accounted for at least 98% of the copper observed in the samples. Molybdenite and sphalerite accounted for less than 0.1% of and pyrite accounted for 1.5% of the total mass. A detailed QEMSAN Particle Mineral Analysis (PMA) conducted on the Master Composite sample indicated that chalcopyrite was 40% liberated at a primary grind size of 150 µm and pyrite showed increased liberation levels averaging 61% at this grind size.

Each of the variability samples was tested for comminution properties and a Rod Mill Work Index test was conducted on the Master Composite that returned a value of 18.4 kWh/tonne (kWh/t). The 75th percentile values of Axb & ball mill work index from the variability samples were 30 and 18.3 kWh/t, respectively These data suggest that High Pressure Grinding Roll (HPGR) crushing should be considered over semi-autogenous grinding (SAG) milling for the Project since several of the samples are characterized as hard with respect to impact breakage. Additional test work on South Zone mineralized material is required along with additional single rock type and alteration type samples to better define deposit comminution properties. A comparison of point load testing data between the North and South zones suggests differences in rock hardness implying that the design of the comminution circuit planned for Phase II be investigated further in the next stage of study.

A locked cycle test conducted on the Master Composite achieved a bulk concentrate grading 24.7% copper (Cu) and 0.68% molybdenum (Mo) and recoveries of 82.6% and 61.8% for copper and molybdenum, respectively. The bulk concentrate from the lock cycle test contained 1.1 parts per million (ppm) gold and 114 ppm silver. The current test program did not include copper - molybdenum (Cu-Mo) separation test work.

Final concentrate produced from the Master Composite locked cycle test was analysed for deleterious elements with zinc (Zn) and mercury (Hg) being elevated. These elements have been identified as associated with the skarn materials which have been flagged for exclusion from the mine plan moving forward. Excluding mining of skarn-associated materials, no deleterious elements are anticipated in the concentrate at levels that will impact marketability and payability. However, penalty limits for these elements should be confirmed with a concentrate marketing specialist in conjunction with the mine production schedule.

From the recent variability flotation test work results, Ausenco forecasts the following recoveries which are employed by SRK to develop the mineral resources presented following:

- Cu Recovery – 83.3%
- Mo Recovery – 59.2%
- Au Recovery – 53.9%
- Ag Recovery – 53.2%

After the publication of the Santo Tomas MRE in 2023, Oroco submitted 420 kg of ¼ and ½ HQ drill core for sulphide and oxide leach test work. Preliminary results from column leach tests performed on low grade sulphide materials demonstrated higher than expected acid consumption suggesting that these materials are not amenable for this process.

Acid-base accounting (ABA) analyses were completed on master composite flotation test products which indicated that the sulphur depleted rougher tailings were not acid generating, however the combined rougher plus cleaner tailings may be acid generating. Further testing is required to understand the acid generation potential of materials placed in the tailings management facility.

Mineral Resource Estimates

The mineral resource estimation has been prepared by SRK with an effective date of July 23, 2024. The resource estimation is supported by a robust lithostructural model and constraining mineralized geology-grade domains. A full description of the resource estimation methodology is provided in section 14 of the Santo Tomas Report.

In order to meet the "reasonable prospects for eventual economic extraction" (RPEEE) requirement, the Project has been deemed amenable to open pit mining. Using economic assumptions from Oroco and their consultants, supported by the PEA, an economic cut-off grade (CoG) was calculated at 0.114% Cu. For the purpose of this PEA and to align with consistent reporting from the 2023 MRE and 2023 PEA, the QP and Oroco have elected to maintain an effective CoG of 0.15% Cu. Mineral resources are reported above this effective CoG and constrained by an economic pit shell.

Mineral resources on the Santo Tomas Project have been classified into Indicated and Inferred categories based on Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) Standard Definitions. SRK assigned the resource classification based on geological complexity, confidence in drilling locations and analyses, QA/QC, spatial continuity assessment, mean estimation distance to samples for copper, geometallurgical characterization, and bulk density determination. No measured mineral resources are classified for the Project at this stage of study due to the preliminary nature of the oxide-sulphide boundary assessment, reliance on historical drilling data, and lack of historical multi- element analyses.

The block model used to generate the Mineral Resource Statement (MRS) in this report remains unchanged from the PEA Technical Report effective October 11, 2023. No additional drilling has been added and the estimation methodology remains unchanged. The updated Mineral Resource which has an effective date of July 23, 2024, reflects changes in the assumptions used to define reasonable prospects for eventual economic extraction, to reflect the latest findings. Differences in the MRS shown in Table 1-6 from the previous MRS are due to: 1) inclusion of oxidized mineralization in the North Zone Pit and South Zone Pit and 2) updated economic and pit slope assumptions based on the updated PEA study.

Table 1-6: Mineral Resource Statement for the Santo Tomas Porphyry Copper Project (Effective Date July 23, 2024)

Notes:

Category	Zone		CuEq[10]	Cu	Mo	Au	Ag	CuEq[10]	Cu [11]	Mo [11]	Au[11]	Ag [11]
			(%)	(%)	(%)	(g/t)	(g/t)	(M lb)	(M lb)	(M lb)	(koz)	(koz)
Indicated	North Zone Pit - sulphide	540.6	0.37	0.33	0.008	0.028	2.1	4,465	3,976	95.4	483.4	36,524
	Total Indicated	**540.6**	**0.37**	**0.33**	**0.008**	**0.028**	**2.1**	**4,465**	**3,976**	**95.4**	**483.4**	**36,524**
Inferred	North Zone Pit - sulphide	90.0	0.34	0.31	0.005	0.021	1.7	679	620	10.2	61.4	4,949
	North Zone Pit - oxide	4.4	0.31	0.31	0.002	0.053	1.6	29	29	0.2	7.4	228
	South Zone Pit - sulphide	399.2	0.36	0.32	0.008	0.023	2.0	3,132	2,789	71.2	294.4	26,200
	South Zone Pit - oxide	36.7	0.27	0.27	0.004	0.020	1.6	218	218	2.8	23.8	1,851
	Total Inferred	**530.3**	**0.35**	**0.31**	**0.007**	**0.023**	**1.9**	**4,058**	**3,657**	**84.4**	**387.1**	**33,229**

Notes:

1. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
2. Abbreviations used in the table above include: Mt = million metric tonnes, % = percent, g/t = grams per metric tonne, M lb = million pound, and Koz = thousand troy ounces.
3. All figures are rounded to reflect the relative accuracy of the estimates. Totals in Table 1-6 may not sum or recalculate from related values in the table due to rounding of values in the table, reflecting fewer significant digits than were carried in the original calculations.
4. Metal assays are capped where appropriate. At this stage of the Project, it is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.
5. All dollar amounts are presented in US dollars.
6. Bulk density is estimated on a block basis using specific gravity data collected on diamond drill core.
7. Economic pit constrained resource with reasonable prospects of eventual economic extraction ("RPEEE") were based on a copper price of $4.00/lb, molybdenum price of $13.50/lb, a gold price of $1,700/oz, and a silver price of $22.50/oz. Metal recovery factors of 83.7% for copper, 66% for molybdenum, 53% for gold and 53% for silver have been applied. Selling costs are $0.56/lb copper, $1.69/lb molybdenum, $191.71/oz gold and $2.94/oz silver.
8. Slope angles varied by pit sector and range from 40 degrees to 49 degrees.
9. The in-situ economic copper (CoG) was calculated resulting in a 0.15% Cu CoG. CoG assumptions include: a copper price of $4.00/lb, molybdenum price of $13.50/lb, gold price of $1,700/oz, and silver price of $22.50/oz. Suitable benchmarked technical and economic parameters for open pit mining, including a 98% mining recovery and costs of mining at $2.40/t, processing at $4.79/t, G&A at $0.67/t, with Private Royalties at 1.5% for molybdenum, gold, silver, and copper, have been applied in consideration of the RPEEE. Recoveries are applied as listed in Note 7.
10. Equivalent Copper (CuEq) percent is calculated with the formula CuEq% = ((Cu grade * Cu recovery [83.7% sulphide or 75.0% oxide] * Cu price) + (Mo grade * Mo recovery [59%] * Mo price) + (Au grade * Au recovery [53%] * Au price) + (Ag grade * Ag recovery [53%] * Ag price)) / (Cu price * Cu recovery [83.7% sulphide or 75.0% oxide]). It assumed that the Santo Tomas Project will produce a conventional (flotation) copper concentrate product based on metal recoveries at 83.7% Cu (sulphide) or 75% Cu (oxide), 59% Mo, 53% Au, and 53% Ag based on initial preliminary metallurgical test work.
11. Reported individual metals in Table 1-6 represent *in-situ* metal, calculated on a 100% recovery basis, except for CuEq% (see Note 10).

In the opinion of the QP responsible for the Mineral Resource Estimate, the Company has completed detailed and thorough geologic characterization programs to support a robust geological model and reporting of a mineral resource under NI 43-101 disclosure standards. The models adequately reflect the geologic setting that both controls and limit mineralization in the North and South Zone. The oxidation model is rudimentary, however delineates oxidized material from reduced (sulphide) material that can be isolated in the block model. Mineralization domains are utilized to constrain the resource estimate and limiting geologic features are used when tabulating the Mineral Resource Statement. The Mineral Resource Statement for the Santo Tomas Project conforms to satisfactory industry practices and satisfies the requirements of the Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) Definition Standards on Mineral Resources and Mineral Reserves (CIM, 2014) required for disclosure under NI 43-101.

Mining Methods

In the Santo Tomas Report, the proposed mining method is conventional open pit truck and shovel operation with 10-meter bench intervals. Haul trucks will be used for hauling mineralized material to the crushing plant, long-term stockpile facilities, and waste to the waste rock storage facilities (WRSFs).

The mine production plan contains 825.5M tonnes of mineralized sulphide material with an average grade of 0.37% CuEq and 1,139.4M tonnes of waste material (including mineralized oxide), resulting in a strip ratio of 1.38 over the life of mine (LOM). CuEq is calculated as is mentioned in Table 1-6.

Mining operations will be carried out by the owner on a 24-hour per day, 365 days per year schedule. Total mined tonnes will start at 27.2M tonnes mined during the pre-stripping year and eventually ramp up to a maximum of 116 million tonnes per annum (Mtpa) in Year 13. The Project has a total life of 24 years, which includes 1 year of pre-stripping and one final year of stockpile rehandling to the mill. Expansion Phase II is in operation starting Year 8.

The mining sequence consists of 20 phases (10 in the North Zone Pit and 10 in the South Zone Pit), which vary in minimum mining width according to the type of equipment to be used. Early years focus on mining the North Zone Pit, while transitioning to larger equipment to be used once the South Zone Pit has opened up to wider benches.

Mining Fleet

Mining operations will use two fleets, with a transition from predominantly small-scale equipment early in the mine life to predominantly large-scale mining equipment later in the mine life. The small-scale equipment fleet will include 200 mm diameter blast hole drills, 16.5 cubic meter (m3) hydraulic shovels, 13 m3 front-end loaders, and 72 t capacity haul trucks. The large-scale equipment fleet will include 250 mm diameter blast hole drills, 34 m3 hydraulic shovels, 21.4 m3 front-end loaders, and 240 t capacity haul trucks.

The rationale for deploying a predominantly small-scale equipment fleet in the early years of the Project is that the open pits have been designed to initially use multiple smaller pit phases to reduce waste stripping and allow for faster access to mill feed. These smaller phases have narrower access roads that require the use of small-scale haul trucks (72 t capacity). Later in the mine life, the pit phases are typically larger and will allow for the use of large-scale haul trucks (240 t capacity). Over the life of the Project, including the pre-production waste mining year, 80% of the ex-pit tonnes will be mined with the large-scale equipment fleet.

Ancillary equipment such as motor graders, dozers and water trucks will be utilized to support the mining operations. This equipment will be required throughout the life of mine for maintaining roads, loading areas, waste dumps and stockpiles.

Geotechnical Overview

Based on the geotechnical characterization, three-dimensional models, and planned pit configurations, SRK's QP defined four pit design sectors and composite sub-sectors. With reference to standard industry empirical methods and findings of the high level geomechanical assessments, the QP developed PEA level overall slope angle (OSA) guidance for each sector. SRK's QP found that stability in Sub-sector 1a was influenced by the potential for high phreatic surface and rock mass strength, while in Sub-sector 1b rock mass strength was the dominant influence. In Sector 2 stability was influenced by both rock mass strength and fault interaction. In Sub-sector 3a stability was influenced by the potential for high phreatic surface and

rock mass strength, while in Sub-sector 3b, rock mass strength was the dominant influence. Sector 4 is sub-domained based on rock mass strength and fault interaction (Sub-sector 4a). As geotechnical characterization evolves in future studies the controls on slope stability will need to be reviewed and continue to be refined.

Processing and Recovery Operations

The process plant for the Project is initially designed for a nominal throughput of 60,000 t/d, referred to as Phase I, and is expected to produce 817 t/d of copper concentrate, with an average grade of 26.6% Cu and 5.3 t/d molybdenum concentrate grading 45% Mo. In Year 7, a duplicate processing line will be installed to accommodate throughput increase up to 120,000 t/d (Phase II) in Year 8. A simplified overall flow diagram of the process design is presented in Figure 1-1.

All major Phase I equipment is designed for a nominal throughput of 60,000 t/d except the conveyor to the mill feed stockpile.

The overall process flowsheet includes a three-stage crushing circuit, grinding, rougher flotation, regrinding, cleaner and scavenger flotation, concentrate dewatering and tailings dewatering and storage.

Key project design criteria for the plant are as follows:

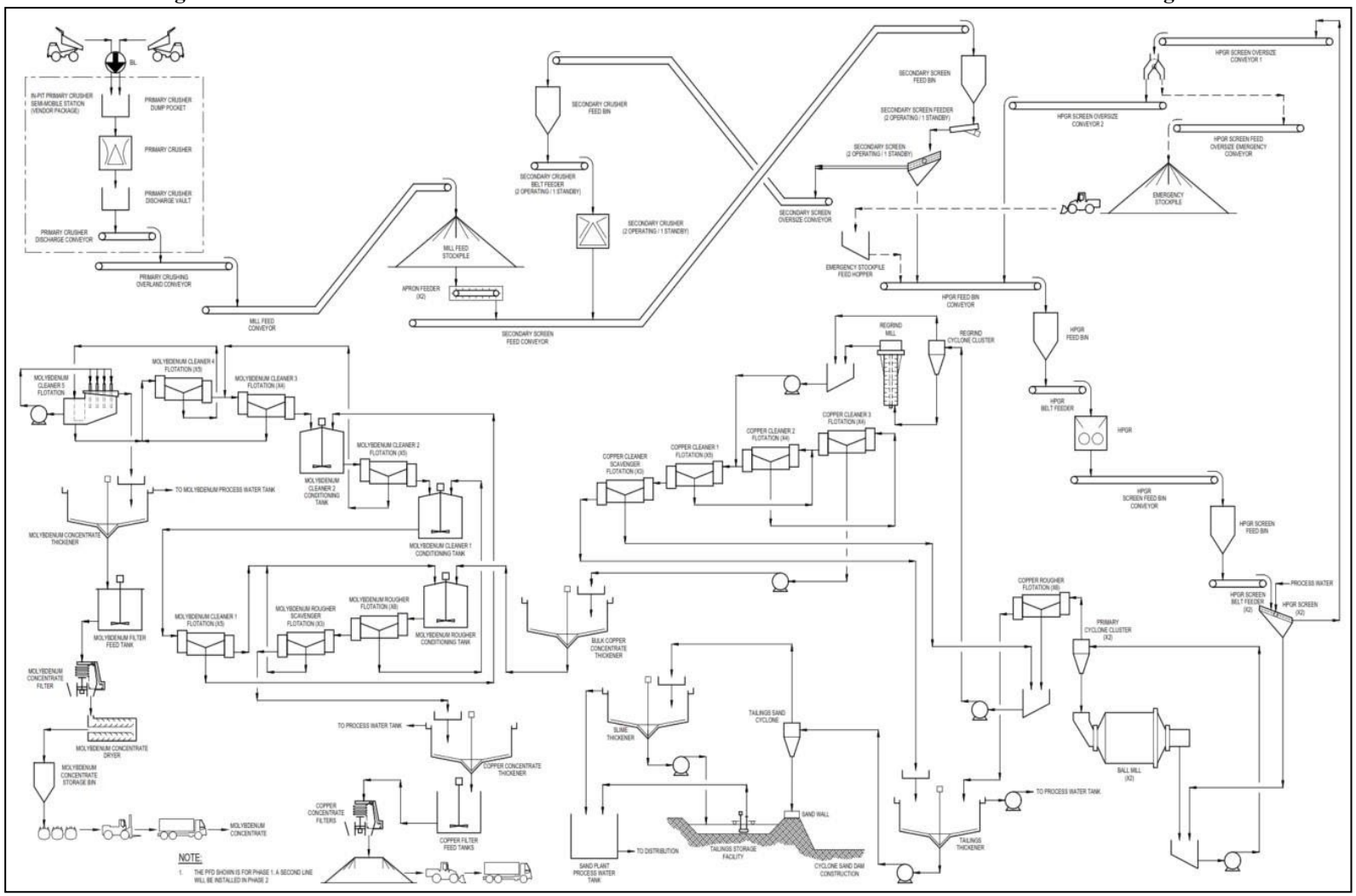
- Primary crushing will reduce the size of the Run-of-Mine (ROM) mineralized material from a top size F_{100} of 1,200 mm to a P_{80} of 143 mm.
- The secondary crushing circuit will reduce the material size from an F_{80} of 143 mm to a P_{80} of 42 mm.
- The tertiary HPGR crushing will reduce the material size to a P_{80} of 5.6 mm.
- The grinding circuit reduces the size of the mineralized material even further, from a F_{80} of 5,600 µm to a P_{80} of 150 µm.
- Bulk rougher flotation will recover a mixed Cu-Mo concentrate.
- The regrind circuit will reduce the particle size of the rougher concentrate from a F_{80} of 125 µm to a P_{80} of 23 µm.
- Bulk cleaner flotation will float Cu and Mo, increasing their grades.
- Molybdenum rougher flotation will selectively float Mo. The Mo rougher flotation tails are Cu concentrate.
- Molybdenum cleaner flotation will increase the Mo grade to 45%.
- Both Cu and Mo concentrates are first thickened using a hi-rate thickener to a solids density of 60% (w/w).
- Thickened Cu concentrate is then filtered using a vertical pressure filter to obtain a final copper concentrate with 9% moisture. The Mo concentrate is also filtered using a vertical pressure filter to obtain a filtered Mo concentrate with 15% moisture content. Additionally, the filtered Mo concentrate is further dried to 5% moisture and packed into bulk bags.
- Flotation tailings will report to a thickener and the thickener U/F will advance to a sand cyclone system to recover suitable quality sand for tailings dam construction.
- The cyclone O/F fines will be thickened in a slimes thickener and deposited in the tailings storage facility (TSF).
- Recovered water from the slimes thickener will overflow to the sand plant process water tank which will report back to the process plant.
- Quicklime will be used as a pH modifier and fuel oil will be used as a flotation promoter. They will be added into the grinding circuit.

- Methyl Isobutyl Carbinol will be used as a frother and Aerophine 3418A will be used as a collector. These reagents will be added to the bulk rougher and cleaner flotation circuits.
- Flocculant will be added to the concentrate thickeners, tailings thickener and slimes thickener to promote sedimentation of solids and dewatering.
- Sodium hydrosulphide will be used as to depress Cu in the Mo flotation circuit.

The plant makeup water is estimated to be 1,122 m^3/h at 60, 000 t/d doubling to 2,244 m^3/h at 120,000 t/d. Makeup water for the plant will be from multiple sources including contact water in the TSF and waste rock storage facility (WRSF) seepage ponds, the pit and groundwater pumping.

[*Remainder of page left blank*]

Figure 1-1: ..... Overall Flow Diagram



Source: Ausenco, 2024

Project Infrastructure

This section reports on the infrastructure design for the Project and modifications made to the design since the 2023 PEA was issued. As was the case in the 2023 PEA, the infrastructure plans for the Project are broken out by phase, Phase I (throughput of 60,000 t/d) and Phase II (throughput of 120,000 t/d, construction now in in year 7 of operations) and are briefly described below:

For Phase I, the Project includes on-site infrastructure such as earthworks development, crushing and process plant facilities and ancillary buildings such as warehouses and workshops, on-site roads, water management systems, and site electrical power facilities. Off-site infrastructure for Phase I includes a site access road, plant roads, groundwater supply, power supply (power transmission line), two WRSFs, the TSF, and surface water management structures. For Phase II, on-site infrastructure will include earthworks development, a second crushing and processing line along with associated facilities and buildings, water management systems, and site electrical power facilities. No upgrades are contemplated for the off-site infrastructure during Phase II.

Access to the Project site is by way of a 170 kilometers (km) paved highway and a two-lane road from the Pacific Ocean Port of Topolobampo, through the city of Los Mochis to the northern town of Choix. Phase I of the Project is envisioned to access the Santo Tomas site via a newly created road that will be a derivation of an existing access road that passes through Cajón de Cancio and Rancho La Soledad. No changes are contemplated for the access road during Phase II of the Project. The Phase II construction begins in year 7 with full through-put achieved in year 8 of production.

The Project includes all the necessary infrastructure to support the mining and processing operations, all infrastructure buildings will be built as per applicable codes and regulations. Buildings include workshops for mine and maintenance, administrative and operation offices, warehouses for mine and process plant, process plant control room and assay laboratory, and other minor facilities. The permanent accommodation camp will be a modular building with capacity for 160 individual dormitories for Phase I, expanded to accommodate 230 individual dormitories during Phase II. Sewage will be treated via a wastewater treatment plant sized to meet the demand. A pre-engineered building for security and medical facilities is also part of the Project infrastructure. Water management structures will include diversion channels, collection ditches and ponds.

The following paragraphs detail the modifications proposed for the updated infrastructure design:
The primary crushing facility is now located closer to both pits and is situated immediately southeast of the North Zone Pit boundary with ramp access from both North Zone and South Zone Pits. This new location reduces the hauling distance to the dump pocket by over a kilometer and allows for a shorter haul to dispose of initial waste rock at the smaller (30 MT) of the two WRSFs which will be built up over Phase I of the Project. This WRSF is immediately adjacent to the primary crushing pad. Furthermore, the primary crushing facility has been replaced with an in-pit crushing, semi- mobile station, which comes fully equipped with a feed hopper, gyratory crusher, a discharge hopper, truck ramps, semi-mobile support structure for the gyratory crusher and direct drive, a bridge crane, rock breaker, and discharge conveyor. Mill feed discharged from the primary crusher will be conveyed through a 1.5 km tunnel which daylights close to the mill feed stockpile via a single 1.7 km conveyor that will be sized to accommodate the Phase II throughput at the start of the Project. Space has been allotted for a pad extension and the installation of a second identical primary crushing station at the time of expansion (Phase II).

Groundwater is the proposed freshwater option to supplement the process makeup water. This resource will also be tapped for other freshwater uses at the plant and ancillary facilities such as fire water, utility water, gland water and tepid, potable water for safety showers/eyewashes. In the 2023 PEA, groundwater was to be supplied from a well-field located upstream and within a 25 km radius of the plant. For this report, it is

proposed that the groundwater well-field be located closer to the plant and adjacent to the anticipated northern end of the North Zone Pit boundary. The advantage of pumping groundwater at this location is that it will serve to help draw down the water table ahead of pit excavation to mitigate seepage into the pit and prevent water pollution. In Year 10, a grout curtain will be installed to further mitigate seepage. Groundwater pumping from this location to meet process water requirements for Phase I (1,122 m^3/h) is required for the first five years and will consist of twelve 90 m deep wells, three pump stations, each one having two 450 kW pumps. The revised pipeline to deliver freshwater to the plant from this location consists of a combination of 1 km of 600 mm diameter carbon steel pipe, 1.5 km of 400 mm diameter carbon steel pipe, and 4.5 km of 760 mm diameter of SDR 11 HDPE pipe to meet the pressure ratings encountered along the length of this pipeline. After such time, an additional set of deeper wells will be installed within the pit boundaries along the northern edge to further mitigate seepage. This groundwater pumping system is sized to meet the plant makeup water demand estimated for Phase II (2,244 m^3/h) and will consist of 15 wells tapped into groundwater ahead of the pit development. Each well will be fitted with a 187-kW submersible pump and will tie into a similar pumping system equipped as described for Phase I but with larger pumps.

Permanent electrical power will be provided through a new power transmission line that will be interconnected to a newly built-up self-generation power plant owned and operated by a third-party. Power at the plant will be generated via the combustion of natural gas and all the necessary electrical equipment for this interconnection will be an integral part of the new self-generation power plant. The supply of natural gas to the power plant and the provision of electricity to power the Santo Tomas processing plant will be contractual between Oroco and the third-party at an estimated rate of US$0.072 per kWh. This is compared to the current (2024) going rate of US$ 0.11 per kWh from the Comisión Federal de Electricidad (CFE, the state-owned utility company). The capital cost to route the new power transmission line from the new power plant to the main substation at the Project site are included as part of the off- and on-site infrastructure, respectively. The new power transmission line will be designed to supply power for both Project phases and any upgrade requested for the self-generation plant will be the direct responsibility of the third-party.

Waste rock resultant from the open pits will be stored in two external waste rock storage facilities (WRSFs); a smaller facility to the east of the pits adjacent to the primary crushing facility and the original facility, which resides at the same location in the natural valley west of the pits, but which has been expanded into the natural shallower valleys to the south to better suit the new mine plan and schedule. Permanent storm water diversion channels along the perimeter WRSFs will be constructed to reduce the amount of water in contact with these materials.

Provisions have been made to supply liquefied natural gas (LNG) to the Project site. This will include siting an LNG plant including storage off-site at the same natural gas tie-in point as the proposed power plant. LNG will be trucked to site for haul truck fueling to minimize diesel consumption, improve air quality and reduce mine operating costs.

Changes to the design of the tailings storage facility (TSF) were not contemplated for the Santo Tomas Report. The TSF design is developed in accordance with Global Industry Standard on Tailings Management (2020). This facility will be constructed in stages over the life of mine to optimize the economics of the facility.

Markets and Contracts

No market studies or product valuations were completed for this study. Market price assumptions were based on a review of public information, industry consensus, standard practices, and specific information from comparable operations in the region.

Treatment charges (TC), refining charges (RC) and payability terms were estimated based on a review of information from comparable recent studies. The assumed payability terms for the metals contained in both concentrates are represented inTable 1-7 below and TC/RCs are shown in Table 1-8.

Table 1-7: ..... Summary of Assumed Metal Payability Terms

Metal	Net Payability Average LOM
Copper (Cu Concentrate)	96.2%
Molybdenum (Mo Concentrate)	98.5%
Gold (Credit in Cu Concentrate)	70.2%
Silver (Credit in Cu Concentrate)	90.0%

Table 1-8:……. Summary of Assumed TC/RC Terms

Metal	Treatment Charge	Refining Charge
Copper (Cu Concentrate)	75.0 $/dmt	0.075 $/ lb Cu
Molybdenum (Mo Concentrate)	-	1.30 $/ lb Mo
Gold (Credit)	-	5.00 $/ t.oz Au
Silver (Credit)	-	0.50 $/ t.oz Ag

Oroco does not currently have any contracts in place for transportation or off-take of the concentrates, supply of reagents, utilities, or other bulk commodities.

Environmental, Permitting, and Social Considerations

Environmental

The Santo Tomas Project is sited in the vicinity of the Río Fuerte, which is one of the longest rivers in Mexico. The river basin drains part of the states of Chihuahua (Sierra Tarahumara) and Sinaloa (Altos del Fuerte and Choix, and the Valle del Fuerte) and it flows from the Sierra Madre Occidental to the Pacific Ocean in the Gulf of California. The Project is located within Priority Hydrological Region No. 18 (RHP No. 18), called "Cuenca Alta del Río Fuerte". The Project is also located near the Huites Dam and reservoir complex which provides flood surge protection, water for community use and supports a hydro agricultural irrigation network (channels) in the 075 Río Fuerte Irrigation District.

Three sources of environmental baseline data are presently available for the Project. Two site-based studies include very general exploration-level surveys of limited scopes in support of applications for exploration drilling and small exploration camps located at Brasiles and at the Santo Tomas North and South Zones during 2021 and 2022. The third source of baseline data originates from a 2019 Environmental Impact Statement (EIS) filed on behalf of the Mexico Communications and Transportation Secretary related to the construction of a bridge located relatively near the Project site at km 217+400 (Huites Dam) located in the Choix-Bahuichivo district. Some of the baseline data collected as part of the 2019 EIS are relevant to environmental conditions of the Santo Tomas Project.

There are environmentally sensitive areas located adjacent to the Project area such as the Huites Dam and reservoir complex which is important for sustaining the local population and ecosystem health. Future environmental and socio-economic and cultural baseline studies will better characterize these aspects. Based on available government databases, there may be risks to threatened and endangered wildlife species in the Project area which require assessment by means of seasonal site-based field surveys.

As the Project advances through feasibility and the Environmental Impact Statement / permitting stages, site-focused baseline studies that document existing conditions will be required to supplement current understanding. Recommended baseline studies to support the Project include water resources studies; geochemistry; aquatics, terrestrial and wildlife; air quality and noise; soil; and socio-economic, cultural baseline studies and community engagement; and environmental constraints mapping. In addition, several environmental management and monitoring plans will be required for the purpose of guiding the development and operation of the Project and mitigating and limiting environmental and social impacts. These plans will be complementary to the engineered designs that will be required for the storage of tailings, waste rock, mineralized material, and conveyance/storage/treatment of mine contact water.

Permitting

The Project is currently in the exploration stage, for which the company has the necessary authorizations obtained by means of submitted notices of work; work is carried out subject to federal government body, Secretariat of Environment and Natural Resources (SEMARNAT) regulations. Exploration activities have included drilling, surface mapping, limited road development, camp construction and support, and geophysics at three main locations (Brasiles Property and the Santo Tomas Project, North and South Zones).

Development of the mine will be subject to acquiring several permits from the federal SEMARNAT. Anticipated permits to support mine development and operations include an Environmental Impact Assessment (MIA), Land Use Change, Risk Analysis, and a number of other permits related to mining waste, general waste, water, air, fixed source emissions, closure, protection of flora and fauna, and noise. Issuance of permits related to surface and groundwater (extraction of freshwater or discharge of effluent) are subject to authorization by the National Water Commission (CONAUGA).

In April 2023, the Mexican Congress approved a decree amending the Mining Law and other national laws impacting new mining and water concessions (the Amendments). The Amendments to laws concerning the mining industry, commonly referred to as a Structural Reform of the Mining Industry (the Mining Reform) impose tighter regulations on the mining industry. These Amendments are not considered likely to impact the Project given that the Project is comprised entirely of existing concessions. As for the Other Amendments which may apply to existing concessions, such as those related to entering into the MIA process, it is assumed that they are not material to the advancement of the Project at this time. Furthermore, various challenges to the legal validity of the Amendments and the Other Amendments have commenced in the Supreme Court of Mexico. In March 2024, the Supreme Court published a binding order whereby they granted a temporary injunction suspending the application of the Amendments and the Other Amendments against existing concessions in 24 states, including Sinaloa

Closure and Reclamation Considerations

The permits require that land disturbance caused by exploration activities is reclaimed in accordance with applicable requirements. Reclamation activities include the stabilization of slopes, filling of exploration wells, scarification of soils, grouting drill holes, revegetation, and forest restoration. A preliminary financial estimate was developed from a scoping level closure plan developed for the Project. The scoping level closure plan includes regrading, reclaim and revegetating all surface disturbances as proposed in the site layout. This includes removing the existing infrastructure and salvaging equipment. Detailed closure plans still need to be developed in accordance with Mexican regulations and applicable international standards through subsequent study stages as the Project advances. Mine reclamation is addressed in Article 27 of the Mexican Constitution and multiple Mexican regulations applicable to closure conditions will be considered.

Social

Baseline socio-economic and cultural baseline studies have not yet been completed for the Santo Tomas Project. These studies will be required at the appropriate time as the Project advances into the feasibility and permitting phases and the full extent of the disturbed footprint of the Project is known. In addition, the recent reform of the mining law establishes that in the case of lots located in the territories of Indigenous or Afro-Mexican peoples or communities, the Secretariat, for the granting of a mining concession or assignment, will require consultation to obtain the consent of the subject communities. This consultation along with a social impact study may need to be carried out along with the MIA.

Capital and Operating Costs

Capital Cost Estimate

The capital cost estimate developed for the Santo Tomas Project conforms to the Class 5 guidelines of the Association for the Advancement of Cost Engineering International (AACE International), with an estimated accuracy of -30%/+50% dated the 2nd Quarter 2024. It was developed in U.S. dollars based on Ausenco's and SRK's databases of projects and advanced studies as well as experience from similar operations.

The updated total initial capital cost estimate for the Santo Tomas Project is US$1,104M which is the sum of the process plant and infrastructure initial capital, total mining capital including indirect costs and contingency net of leasing costs, deposit, and capital deferment.

Table 1-9 presents a summary breakdown of the capital cost estimate developed for the Project over the life of the mine. The estimate is broken out into following:

- Initial capital - the costs to lease the equipment required for pre-stripping/preproduction and a 60,000 t/d (Phase I) processing facility;
- Expansion capital - the cost estimate to add a second process line (Phase II) doubling the plant throughput to 120,000 t/d;
- Sustaining capital - the sum of the capital cost required to replace worn processing equipment in Year 10, continued development of the TSF over the LOM and lease payments accrued over the 5-year term and the closure capital, the cost to reclaim and monitor the Project once mining and processing of materials ceases; and
- Total capital – the sum of the initial, expansion and sustaining capital

[*Remainder of page left blank*]

Table 1-9: ..... Capital Cost Summary

Capital Category	Initial Capital (US$M)	Expansion Capital (US$M)	LOM Sustaining Capital (US$M)	Total Capital (US$M)
Mining Equipment (Net of Leasing)[1]	81.0	-	952.4	1,033.4
Water Management	8.3	-	14.1	22.4
Crushing Facility & Process Plant	427.8	380.3	10.4	818.4
Infrastructure	124.7	47.8	-	172.5
Tailings Storage Facility	25.9	0.1	51.2	77.2
Closure Costs	-	-	174.3	174.3
Total Directs	**667.5**	**428.1**	**1,202.4**	**2,298.2**
Project Indirect	141.1	105.8	-	246.9
Owner's Cost	23.5	17.1	-	40.6
Process/Closure Contingency	187.7	135.9	53.8	377.4
Capitalized Mine Development OPEX	75.5	-	-	75.5
Capitalized Interest & Fees[2]	8.3	-	-	8.3
Total with Mining Equipment Lease Applied	**1,103.5**	**687.2**	**1,256.0**	**3,046.7**

Notes:

(1) Includes supplier-sourced 5-year lease term with 10.3% interest, 0.5% upfront fee, and no residual payment (October 2023) applied to preproduction mining capital cost with deferral of capital attributable to leasing from initial capital to sustaining capital.

(2) Leasing costs incurred prior to production.

(3) Values shown are rounded and may not match those presented in press release disclosure. Totals may not sum due to rounding.

Mining Capital Costs

The mine capital cost considers that the mine will be owner-operated and is based on the requirements of the mining plan. The mining capital costs were estimated from first principles by SRK Consulting (U.S.) Inc.

The LOM mining equipment capital cost is estimated at US$1,033.4M, including 15% contingency. Of this amount, US$81.0M (8%) corresponds to the initial mining equipment capital cost and US$952.4M (92%) corresponds to sustaining capital, which includes principal payments for leased equipment, the costs of purchasing additional equipment units, renewing equipment, and performing major equipment maintenance to sustain mining operations. Additionally, the initial mining capital cost estimate includes pre-production mining costs in Year -1 of US$75.5M (including 5% contingency). The overall LOM mining capital cost estimate, including initial and sustaining equipment costs and pre-production mining, is US$1,108.9M.

The contingencies applied by SRK are 15% for capitalized equipment purchases and rebuilds, and 5% for capitalized pre- production mining costs (i.e., pre-stripping costs that are capitalized for Year -1). The purpose of the contingency provisions is to allow for uncertain cost elements which are predicted to occur but are not included in the cost estimate.

Operating Cost Estimate

The mine operating costs were estimated from first principles by SRK Consulting (U.S.) Inc. based on the requirements of the mine plan. The estimate is based on the operating hours of the equipment and includes

ownership cost and operational cost such equipment repairs, drilling consumables, fuel consumption, manpower, explosives consumption, contractor blasting services, tire consumption etc. The cost of equipment operators and the mechanical maintenance workforce was included as part of the operating costs of the equipment. The costs were distributed among the direct mining functions such as drilling, loading, hauling, etc.

The process operating cost estimate is based on a 60,000 t/d mill for Phase I and 120,000 t/d mill for Phase II of the Project, which includes the following operations: crushing, grinding, bulk rougher flotation, regrind, bulk cleaner flotation, Cu-Mo separation, copper concentrate dewatering, molybdenum concentrate handling, and tailings handling.

A summary of the average operating costs for the Project are presented below in Table 1-10. The unit operating cost, on average is US$9.57/t milled, including an annual average LOM G&A cost of US$24M. The following subsections describe the basis of the operating costs estimate and a detailed buildup of both the mining and process components of the operating costs presented here. Mining operating costs include US$46M in leasing interest and fees.

Table 1-10: .....Average LOM Operating Costs

Category	Total LOM (US$M)	Annual Cost (US$M/y)	US$/t milled
Mining	**3,995**	**177**	**4.78**
Process	**3,363**	**149**	**4.04**
G&A	**539**	**24**	**0.65**
Total Operating Cost	**7,897**	**350**	**9.57**

Economic Analysis

Economic Summary

The economic analysis was performed assuming an 8% discount rate. On a pre-tax basis the net present value discounted at 8% (NPV8%) is US$2,640.5M; the internal rate of return (IRR) is 30.3%, and payback period is 2.9 years. On a post-tax basis, the NPV8% is US$1,475.4M; the IRR is 22.2%, and the payback period is 3.8 years. The analysis was done on an annual cashflow basis; the Project economics are summarized in Table 1-11 and cashflow output is shown graphically in Figure 1-2.

[*Remainder of page left blank*]

Table 1-11: ..... Economic Analysis Summary

General	Units	LOM Total / Avg.
Copper Price	US$/lb	4.00
Molybdenum Price	US$/lb	15.00
Gold Price	US$/oz	1,900
Silver Price	US$/oz	24.00
Mine Life	Years	22.6
Total Mill Feed	kt	825,475
Production	**Units**	**LOM Total / Avg.**
Mill Feed Grade – Cu	%	0.33
Mill Feed Grade – Mo	%	0.008
Mill Feed Grade – Au	g/t	0.028
Mill Feed Grade – Ag	g/t	2.08
Total Metal Content – Cu	M lb	5,916
Total Metal Content – Mo	M lb	138.7
Total Metal Content – Au	koz	753.4
Total Metal Content – Ag	koz	55,200
Recovery Rate – Cu	%	83.8%
Recovery Rate – Mo	%	59.1%
Recovery Rate – Au	%	56.8%
Recovery Rate – Ag	%	53.7%
Total Production – Cu	M lb	4,960
Total Production – Mo	M lb	82.0
Total Production – Au	koz	427.9
Total Production – Ag	koz	29,636
Annual Production – Cu	M lb/y	219.2
Average Annual Production – Mo	M lb/y	3.6
Average Annual Production – Au	koz/y	18.9
Average Annual Production – Ag	koz/y	1,309.6
Operating Costs	**Units**	**LOM Total / Avg.**
Mining Cost (1)	US$/t mined	2.04
Mining Cost (1)	US$/t milled	4.78
Mining Leasing Cost	US$/t milled	0.06
Processing Cost	US$/t milled	4.04
G&A Cost	US$/t milled	0.65
Total Operating Costs (1)	US$/t milled	9.57
C1 Cash Costs (2)	US$/lb Cu	1.54
C3 Cash Costs (AISC) (3)	US$/lb Cu	2.00
Capital Costs	**Units**	**LOM Total / Avg.**
Initial Capital (4)	US$M	1,103.5
Expansion Capital	US$M	687.2
Sustaining Capital (4)	US$M	1,047.0
Closure Costs	US$M	209.2

Financials	Units	Pre-Tax	Post-Tax
NPV8%	US$M	2,640.5	1,475.4
IRR	%	30.3	22.2
Payback	Years	2.9	3.8

Notes:

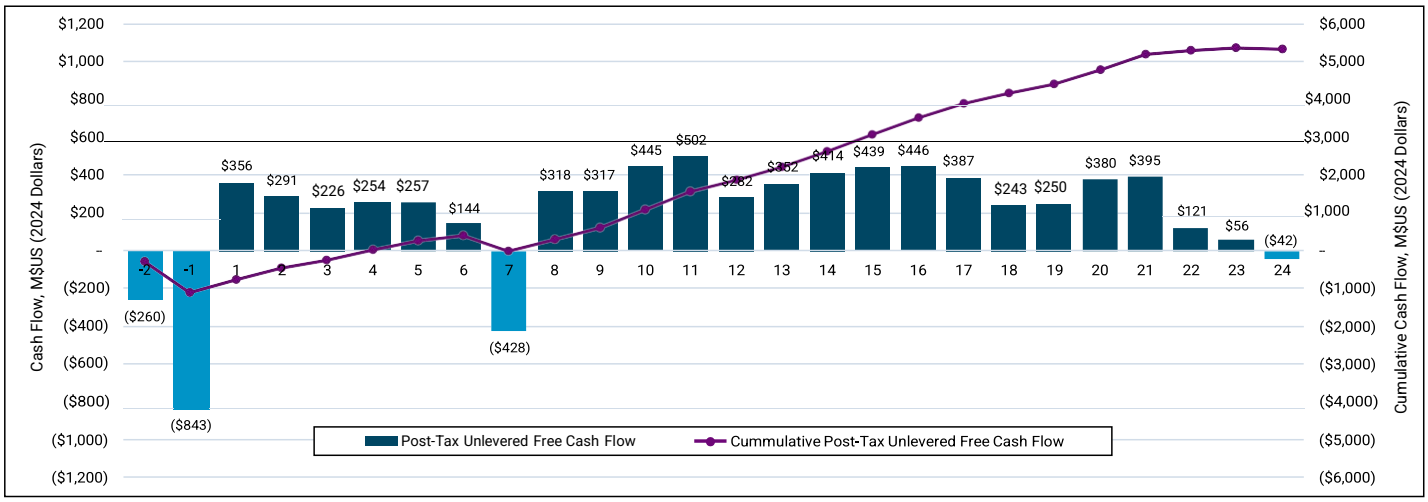
(1) Excluding leasing costs.

(2) C1 Cash costs consist of mining costs, processing costs, mine-level G&A and refining charges and royalties on a by-product basis.

(3) C3 Cash costs (AISC) include cash costs plus sustaining capital, expansion capital, and closure costs on a by-product basis.
(4) Net of leasing costs, deposits, and capital deferment.

Readers are cautioned that the PEA being reported upon in the Santo Tomas Report, as reproduced herein, is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA financial results will be realized.

Figure 1-2: .....Free Cash Flow - Post-Tax



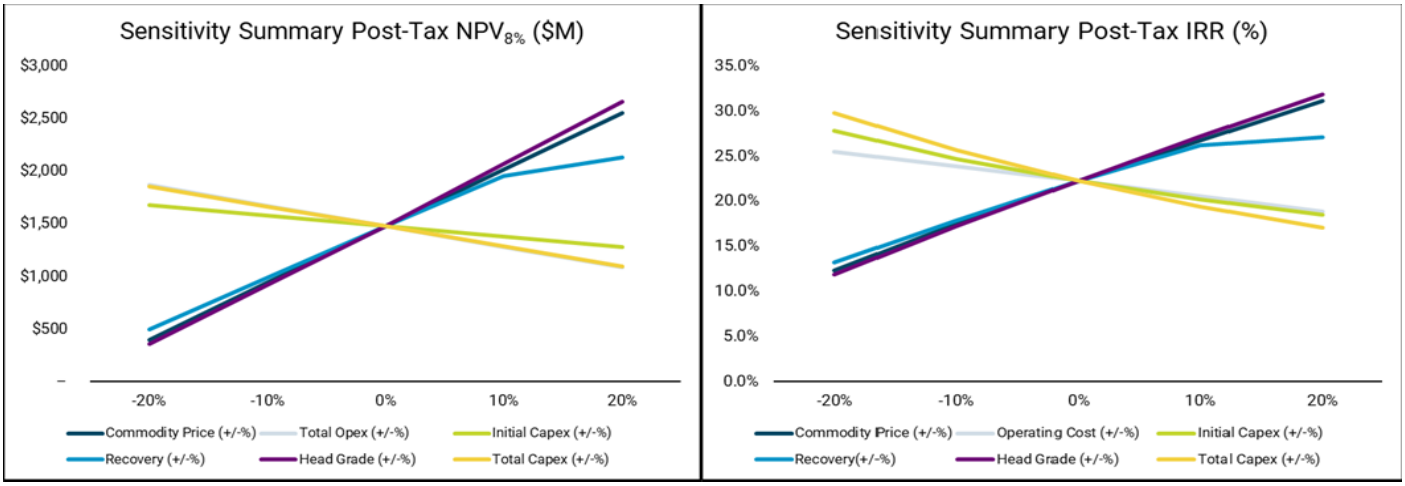
Source: Ausenco, 2024.

Sensitivity Analysis

A sensitivity analysis was conducted on the base case pre-tax and post-tax NPV and IRR of the Project, using the following variables: metal prices, discount rate, head grade, recovery, total operating cost (OPEX), and initial capital cost.

A summary of post-tax economic sensitivities to head grade, metal price, metal recovery, total OPEX, initial CAPEX, and total CAPEX is shown in Figure 1-3 and detailed in Table 1-12.

Figure 1-3: ..... Post-Tax NPV and IRR Sensitivity Results



Source: Ausenco, 2024.

Table 1-12: ..... Post-Tax Sensitivity Summary

Post-Tax Sensitivity to Metal Price

Post-Tax $NPV_{8\%}$ (USM) Sensitivity to Discount Rate

Discount Rate \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
3.0%	$1,367	$2,303	$3,235	$4,168	$5,100
5.0%	$885	$1,626	$2,364	$3,102	$3,840
7.0%	$537	$1,134	$1,728	$2,323	$2,917
8.0%	$400	$939	**$1,475**	$2,013	$2,549
10.0%	$182	$627	$1,069	$1,512	$1,954

Post-Tax IRR (%) Sensitivity to Discount Rate

Discount Rate \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
3.0%	12.3%	17.5%	22.2%	26.7%	31.1%
5.0%	12.3%	17.5%	22.2%	26.7%	31.1%
7.0%	12.3%	17.5%	22.2%	26.7%	31.1%
8.0%	12.3%	17.5%	**22.2%**	26.7%	31.1%
10.0%	12.3%	17.5%	22.2%	26.7%	31.1%

Post-Tax $NPV_{8\%}$ (USM) Sensitivity to OPEX

Total OPEX \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	$796	$1,332	$1,869	$2,406	$2,942
(10.0%)	$598	$1,136	$1,672	$2,209	$2,746
--	$400	$939	**$1,475**	$2,013	$2,549
10.0%	$200	$742	$1,279	$1,816	$2,352
20.0%	($1)	$544	$1,083	$1,619	$2,156

Post-Tax IRR (%) Sensitivity to OPEX

Total OPEX \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	16.1%	20.9%	25.4%	29.8%	34.0%
(10.0%)	14.2%	19.2%	23.8%	28.3%	32.6%
--	12.3%	17.5%	**22.2%**	26.7%	31.1%
10.0%	10.2%	15.7%	20.6%	25.2%	29.6%
20.0%	8.0%	13.8%	18.9%	23.6%	28.1%

Post-Tax $NPV_{8\%}$ (USM) Sensitivity to Initial CAPEX

Initial CAPEX \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	$600	$1,140	$1,676	$2,213	$2,749
(10.0%)	$500	$1,039	$1,576	$2,113	$2,649
--	$400	$939	**$1,475**	$2,013	$2,549
10.0%	$300	$839	$1,375	$1,912	$2,449
20.0%	$200	$739	$1,275	$1,812	$2,349

Post-Tax IRR (%) Sensitivity to Initial CAPEX

Initial CAPEX \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	15.8%	22.0%	27.8%	33.4%	38.7%
(10.0%)	13.9%	19.5%	24.7%	29.7%	34.5%
--	12.3%	17.5%	**22.2%**	26.7%	31.1%
10.0%	11.0%	15.8%	20.2%	24.4%	28.3%
20.0%	9.8%	14.4%	18.5%	22.4%	26.0%

Post-Tax $NPV_{8\%}$ (USM) Sensitivity to Mill Recovery

Mill Recovery \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	($406)	$56	$492	$924	$1,352

Post-Tax IRR (%) Sensitivity to Mill Recovery

Mill Recovery \ Commodity Price	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	3.1%	8.6%	13.2%	17.3%	21.1%

	(10.0%)	$9	$500	$985	$1,468	$1,951
	--	$400	$939	**$1,475**	$2,013	$2,549
	10.0%	$776	$1,364	$1,954	$2,543	$3,131
	20.0%	$915	$1,523	$2,131	$2,739	$3,347

	(10.0%)	8.1%	13.3%	17.9%	22.1%	26.2%
	--	12.3%	17.5%	**22.2%**	26.7%	31.1%
	10.0%	15.9%	21.2%	26.1%	30.9%	35.4%
	20.0%	16.9%	22.1%	27.0%	31.8%	36.3%

Post-Tax NPV$_{8\%}$ (USM) Sensitivity to Head Grade

Head Grade	Commodity Price				
	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	($527)	($65)	$359	$776	$1,192
(10.0%)	($48)	$436	$914	$1,389	$1,864
--	$400	$939	**$1,475**	$2,013	$2,549
10.0%	$867	$1,468	$2,070	$2,671	$3,271
20.0%	$1,328	$1,994	$2,659	$3,324	$3,988

Post-Tax IRR (%) Sensitivity to Head Grade

Head Grade	Commodity Price				
	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	1.6%	7.3%	11.8%	15.9%	19.7%
(10.0%)	7.4%	12.6%	17.2%	21.4%	25.5%
--	12.3%	17.5%	**22.2%**	26.7%	31.1%
10.0%	16.7%	22.1%	27.1%	31.9%	36.6%
20.0%	20.9%	26.5%	31.8%	36.9%	41.9%

Post-Tax NPV$_{8\%}$ (USM) Sensitivity to Total CAPEX

Total CAPEX	Commodity Price				
	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	$779	$1,318	$1,854	$2,391	$2,927
(10.0%)	$589	$1,128	$1,665	$2,202	$2,738
--	$400	$939	**$1,475**	$2,013	$2,549
10.0%	$211	$750	$1,286	$1,823	$2,360
20.0%	$21	$561	$1,097	$1,634	$2,171

Post-Tax IRR (%) Sensitivity to Total CAPEX

Total CAPEX	Commodity Price				
	(20.0%)	(10.0%)	--	10.0%	20.0%
(20.0%)	18.1%	24.1%	29.8%	35.2%	40.5%
(10.0%)	14.9%	20.5%	25.6%	30.6%	35.3%
--	12.3%	17.5%	**22.2%**	26.7%	31.1%
10.0%	10.1%	15.0%	19.4%	23.6%	27.6%
20.0%	8.2%	12.8%	17.0%	21.0%	24.7%

Interpretation and Conclusions

Geology and Mineralization

The geology of the deposit is considered well understood and the controls on mineralization are better defined with the completion of recent drilling program. An improved understanding of structural controls and structure bounding limits on mineralization has been captured in the updated 3D geology, alteration and structural model and applied to the PEA presented in the Santo Tomas Report. Additional drilling will be required in the southwest sector of the South Zone to better understand the limits on the mineralization and alteration observed and mapped at surface.

Exploration, Drilling and Analytical Data Collection Support of Mineral Resource Estimation

Additional surface mapping and exploration has been incorporated with the drilling-supported 3D models. Surface mapping and exploration should be continued to more precisely define the western footwall fault and resource internal faulting defined through drilling. Analytical data collection in support of the MRE should continue with a focus on historical drill re-logging and check sampling for comparison of historical results. This will confirm some of the historical reporting on the repeatability of target economic elements. Additional drilling in resource defined as Inferred will increase confidence in the resource estimate, especially in the South Zone that is currently all classified as Inferred.

An ongoing review of the sulphide bearing veins and their orientations will continue to refine additional drilling program design with regards to the dips and azimuth of drill holes.

Mineral Resource Estimate

In the opinion of the QP, Oroco has completed detailed and thorough geologic work programs to support the construction of a robust geologic model and fundamentally sound structural domain model. The models adequately reflect the geologic setting that both controls and limits mineralization in the North and South Zones. The oxidation model is rudimentary; however, it delineates oxidized material from reduced material

in the block model. Mineralization domains are utilized to constrain the MRE and limiting geologic features are used when tabulating the Mineral Resource Statement. The MRE for the Santo Tomas Project conforms to satisfactory industry practices and satisfies the requirements of the CIM Definition Standards required for disclosure under NI 43-101.

Metallurgy and Recovery Methods

The samples evaluated from the Santo Tomas Project exhibit metallurgical responses to conventional processing techniques that are typical of copper porphyry deposits. The process plant for the Santo Tomas Project is initially designed for a nominal throughput of 60,000 t/d doubling in size in Year 8. The material hardness properties measured through comminution testing were somewhat hard, suggesting that tertiary crushing with high pressure grinding rolls (HPGR) may be more appropriate than SAG milling. Copper occurs nearly exclusively as chalcopyrite and is well recovered via froth flotation at a primary grind sizing of 150 µm P80. Copper and molybdenum concentrates of saleable quality, void of significant levels of deleterious elements, are expected to be produced following regrinding and typical dilution cleaning at final recoveries averaging 83% and 59%, respectively. The process plant is expected to produce 817 t/d of copper concentrate, with an average grade of 26.6% Cu and 5.3 t/d molybdenum concentrate grading 45% Mo.

Geotechnical Considerations

Based on the geotechnical characterization, 3D models, and planned pit configurations, SRK's QP defined four pit design sectors and composite sub-sectors. Based on standard industry empirical methods and findings of the high level geomechanical assessments, the QP developed overall slope angle (OSA) guidance for each sector. SRK's QP found that stability in Sub-sector 1a was controlled by the potential for high phreatic surface and rock mass strength, while in Sub- sector 1b rock mass strength was the sector influence. In Sector 2 stability was controlled by both rock mass strength and structures. In Sub-sector 3a stability was controlled by the potential for high phreatic surface and rock mass strength, while in Sub-sector 3b, which is located further from the reservoir, rock mass strength was the dominant influence. Sector 4 is sub-domained based on rock mass strength and fault interaction (Sub-sector 4a).

Mine Engineering

The total mineralized sulphide material is to be processed is 825.5 Mt at an average grade of 0.37% CuEq. The open pit is mined in twenty phases with 23 years of ex-pit mining, which includes 1 year of pre-production stripping. Total waste mined is 1.1B tonnes (strip ratio 1.38), which include 73.4M tonnes of mineralized oxide material at an average grade of 0.19% Cu. The south WRSF designed is large enough to allow for the segregation of this material and maintain the optionality of processing it in the future. Four geotechnical zones were considered for the pit design with OSA angles between 40° and 49°.

Over the life of mine, two mining fleets will be used and the operator will transition from predominantly small-scale mining equipment early in the mine life to predominantly large-scale mining equipment later in the mine life. The small- scale equipment fleet will include 200 mm diameter blast hole drills, 16.5 m3 hydraulic shovels, 13 m3 front-end loaders, and 72 t capacity haul trucks. The large-scale equipment fleet will include 250 mm diameter blast hole drills, 34 m3 hydraulic shovels, 21.4 m3 front-end loaders, and 240 t capacity haul trucks.

Financial Assessment

Based on the assumptions and parameters presented in this report, the Project shows positive economics including a post-tax NPV8% of US$1,475.4M and a 22.2%, post-tax IRR. The updated results continue to support a decision to carry out additional studies to progress the Project further into detailed assessment.

Risks and Opportunities

The PEA authors (QPs) responsible for parts of the Santo Tomas Report identified certain risks and opportunities for aspects of the Santo Tomas Project during the PEA study: a selection of these items is summarized following.

Mineral Resources

Risks that may materially impact the understanding, interpretations, and current assumptions for geology and mineral resources at the Santo Tomas property which are summarized below:

- Ability to recover all stated metals at the assumed recovery factors and metal price assumptions.
- Changes to the geotechnical, hydrogeological, mining and input economic assumptions used in the determination of CoG and pit shell modeling.
- Identification and assessment of potentially deleterious materials or elements.
- Ability to demonstrate a feasible path to mining in the Huites Reservoir area with appropriate offset or other land or infrastructure constraints that may be identified in future studies.
- Changes to assumptions or ability to continue with existing agreements, renew, or renegotiate those agreements and to environmental, permitting, and social license assumptions which may materially alter the area of assumed mining and mineral resource.

Opportunities exist to minimize some of these risks:

- Additional drilling is required to upgrade mineral resource classifications. Currently, the South Zone is classified as inferred resources but with additional drilling there is potential to upgrade the classification and delineate additional mineralized tonnages.
- Further logging and (re)sampling of historical drill core should be undertaken to increase confidence in the geologic interpretation and resource estimation.

Metallurgy and Recovery Methods

The study was performed using a preliminary metallurgical assessment as the basis for design. As such risks exist in the design any additional metallurgical test work should focus on expanding the grade range and add confidence to the metallurgical recovery estimates. Further comminution testing should also be undertaken on discreet core samples to understand the variability of mill feed hardness over the mine life. Recent analysis of point load testing (PLT) data by the field geologists also suggests differences in rock hardness and competency between the two pits. Hence, the quantity and spatial distribution of samples taken and tested during the initial test work program is not sufficient to confirm an appropriate crushing and grinding circuit design for each phase of the Project.

The metallurgical performance of a Cu-Mo separation circuit has not yet been demonstrated in test work. Testing may show that circuit modifications are required to achieve target metallurgical performance for molybdenum. Additional metallurgical testing may identify strategies to improve metallurgical performance through both flotation circuits to improve both copper and molybdenum recoveries by further evaluating reagent dosing, regrinding, pulp chemistry and the inclusion of a cleaner scavenger.

Evaluating coarse particle flotation in a rougher scavenging application may allow for a reduction in the primary grinding energy while maintaining suitable copper and molybdenum recoveries.

Additionally, continued tests should be conducted on the oxide copper resource evaluation as these materials are now included in the current resource estimate.

Mining Methods

The following risks were identified during the development of Santo Tomas mine design:

- Eliminating the small-scale equipment fleet (i.e., using only large-scale equipment as planned for later stages) could lead to an increase in waste mined.
- Mining regulations should be periodically monitored to assess potential impact on planned mining operations.
- Starting new phases will require constructing steep roads and mining narrow widths. This may require the smaller fleet to be maintained for the duration of the mine life.
- Due to the steep topography, changes to the overall slope angles used in the different geotechnical zones could alter the mill feed and waste content in future designs.

The study identified the following mining and mining method opportunities:

- A detailed pioneering road design should be investigated to the starting benches of every phase to determine the number of tonnes required to be moved using a small fleet.
- Revisiting the pit design and scheduling could minimize LOM stripping while still focusing on reducing the pre- stripping required.
- The mining cost for the open pit operation largely relates to the haulage distance. Any relocation of the current infrastructure (such as the waste dump, crusher, or stockpiles) will require that the fleet be reassessed and balanced.

Site Infrastructure

Should a risk assessment of the proposed tunnel conveyor arrangement deem this option unsuitable, further studies can be completed to compare the economics as well as constructability/operability of alternative options, such as a flying belt conveyor design.

The ground conditions and stability of the proposed process plant area, TSF, WRSF, and other infrastructure areas are unknown as a geotechnical program has not been completed. The slopes and heights of the stockpiles, WRSF, and TSF may change as future site geotechnical programs are completed impacting the capital, sustaining capital and operating costs of the Project.

An opportunity exists to investigate the placement of waste rock at the foot of the dam. This would minimize the footprint of the TSF and improve dam stability over time especially since pre-stripping materials will be available early on.

Additionally, an opportunity still exists to consider acquiring power from another alternate power source provider, a third-party supplier of CCGT (Combined Cycle Gas Turbine) power generation located at or near the Huites Hydroelectric Plant.

Site Water

A recent preliminary water balance developed for the site suggests groundwater pumping along the northern most and west boundary of the North Zone Pit is likely required to mitigate seepage into the that pit owing to its proximity to the Río Fuerte. This finding poses several cost risks to the Project.

- All process plant makeup water will be sourced from this location as proposed but groundwater quality test work is needed to assess its suitability to serve as a potable water source and whether additional treatment is required.

- Seepage rates were benchmarked against similar situations from other projects and will need to be verified. Pumping costs may increase if the hydrological and hydrogeological assumptions taken during this exercise were inaccurate and the rock is more fractured than presumed.
- Surplus water (contact or groundwater) may require treatment prior to discharge back into the environment. Hydrological, hydrogeological and geochemical studies are paramount to understanding the extent of groundwater pumping, treatment options needed for discharge and use at the process plant and associated costs.

Environmental Permitting

The main risks associated with the permitting schedule for the Project include:

- Potential lack of support from community and Indigenous population.
- Potential impacts to potable water supplies or ecosystems from groundwater extraction (potential drawdown of groundwater table) and effluent discharge of mine contact water to surface waters.
- Potential impacts to listed/threatened species due to surface land disturbance/footprint in relation to protection and mitigation/compensation requirements as outlined by Mexican federal regulations and guidelines.

Opportunities as listed below should be considered as the Project continues along the development path:

- Continued engagement and discussions with the local community and Indigenous and regulatory bodies regarding the proposed Project, anticipated impacts, and proposed impact mitigation, and potential benefits of the Project.
- The timely initiation of targeted environmental and socio-economic baseline studies that will inform impact mitigation and risk reduction measures associated with infrastructure footprint, design and use of appropriate low impact and sustainable technologies.
- Regarding hydrological, hydrogeological, and geochemical studies, there are opportunities to work closely and collaborate with the geotechnical, water resources, and processing engineering teams and hence, reduce effort and costs.

Operating Costs

The fluctuating costs of reagents and consumables have the potential to impact the Project financials, as does a single US$0.01 change in the unit power rate.

A comprehensive site wide water balance and hydrogeological study is required to ascertain the appropriate concessions tariffs as issued by CONAGUA for makeup water.

Recommendations

The Santo Tomas Project demonstrates positive economics, as shown by the results presented in this technical report. Continuing to develop the Project towards a pre-feasibility study is recommended. Table 1-13 summarizes the proposed budget to advance the Project through to the next stage. Additional details on recommendations are included in Section 26 of the Santo Tomas Report.

Table 1-13: .....Proposed Budget Summary for All Recommendations

Item	Budget(US$M)
Additional Drilling (Resource Upgrade, Exploration, Geology and Mineral Resource Expansion	5.5
Metallurgical test work	0.5
Mining Methods	1.7
Process and Infrastructure Engineering (including trade off studies)	0.9
Hydrogeological Studies	0.5
Geotechnical Studies	0.8
Environmental Studies	0.8
Total	**10.7**

Note: Totals may not sum due to rounding.

Specialized Skills and Knowledge

The mineral exploration business requires individuals with specialized skills and knowledge in the areas of geology, drilling, geophysics, geochemistry, metallurgy, engineering and mineral processing, implementation of exploration programs, mine engineering, environmental assessment and mine permitting, acquisitions, capital raising, accounting and environmental compliance. In order to attract and retain personnel with such skills and knowledge, we seek to maintain competitive remuneration and compensation packages and to provide a work environment that allows our team members to grow professionally and personally. To date, we have been able to locate and retain such professionals in Canada and in Mexico, and believe that we will be able to continue to do so.

Competitive Conditions

The Company is focussed on the advanced exploration of Santo Tomas. As the Company holds interests in each of the mineral concessions comprising Santo Tomas, it is not in competition with other companies for mineral properties. However, the exploration and mining of precious metals and base metals is a competitive industry, and we may, at times, compete with other companies for the availability of skilled labour, which means that there may be times where we are unable to attract or retain qualified personnel. As well, additional capital or other types of financing may not be available if needed or, if available, the terms of such financing may not be favourable to the Company.

Cycles

The mineral exploration business is subject to investment cycles. The financial markets for mineral exploration and development, continued to be weak through to the end of 2024. Markets continue to experience extreme volatility as of the date of this AIF due to a variety of factors with markets continuing to adjust to a higher interest rate environment. Increases in the rate of inflation has, in turn, led to increases in interest rates. The long-term outlook for financial markets and the economy in general is at present unknown. If the global economy stalls and commodity prices decline as a consequence, a continuing period of lower prices and/or higher costs could significantly affect the economic potential of many of our current properties and may result in Oroco ceasing work on, or dropping its interest in, some or all of our properties. As we do not currently undertake production activities, our ability to fund ongoing exploration is affected by the availability of financing (and particularly equity financing) which, in turn, is affected by the strength of the economy, commodity prices, interest rates, inflation and other general economic factors. In response

to increases in inflation over the past several years, governments have and may continue to raise interest rates. Our exposure to changes in interest rates results from investing activities undertaken to manage our liquidity and capital requirements. In addition, the increase in rates may impact the cost to the Company to advance exploration and development. There can be no assurances that interest rates will not continue to increase, perhaps materially, and if they do, they may have a material adverse effect on our business and financial position.

In addition, our mineral exploration activities may be subject to seasonality due to adverse weather conditions at our project sites.

Economic Dependence

The Company's business is the exploration and development of Santo Tomas. It is not dependent on any contracts to purchase or sell any products or services.

Employees

As of the date of this AIF, the Company indirectly has eight employees and a variable number of consultants and contractors as needed to carry on its activities.

Environmental Protection

The Company is subject to the laws and regulations relating to environmental matters in Mexico, including provisions relating to property reclamation, discharge of hazardous materials and other matters. It conducts its mineral exploration activities in compliance with applicable environmental protection legislation and regulations, policies and instruments.

New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementation of existing laws and regulations could have a material adverse effect on the Company, both financially and operationally, by potentially increasing capital and/or operating costs and delaying or preventing the exploration and development of Santo Tomas.

Foreign Operations

The Company's mineral properties are located in Mexico. Consequently, the Company is dependent on its foreign operations. See "*Risk Factors*" below.

Bankruptcy and Similar Procedures

There are no bankruptcies, receivership or similar proceedings against the Company or any of its Subsidiaries, nor are we aware of any such pending or threatened proceedings. The Company has not commenced any bankruptcy, receivership or similar proceedings during our history.

Reorganizations

No material reorganizations of the Company or any of the Subsidiaries occurred during the three most recently completed financial years, nor is such activity contemplated for the current financial year.

Social or Environmental Policies

The Company is committed to responsible mining, including promoting respect for our surrounding

communities and protecting biodiversity in the environments in which we operate. We have an Environment and Social Governance manual for Santo Tomas which provides a framework for our community outreach efforts. Our community outreach is focused on education, ongoing employment, Indigenous engagement and employment, and community mapping. The Company has demonstrated ongoing efforts to engage with the local communities near Santo Tomas, including supporting and funding community improvements and providing educational resources to support local school improvements.

Cautionary Notes to Investors

PEA

The reader is cautioned that the 2024 PEA is preliminary in nature, and that they include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized.

Mineral Resource and Reserve Estimates

In accordance with applicable Canadian securities laws, all Mineral Resource estimates of the Company disclosed or referenced in this AIF have been prepared in accordance with the disclosure standards of NI 43-101 and have been classified in accordance with the CIM Standards. **Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability**. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues. In particular, the quantity and grade of reported inferred mineral resources are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as an indicated or measured mineral resource. It is uncertain in all cases whether further exploration will result in upgrading the inferred mineral resources to an indicated or measured mineral resource category.

RISK FACTORS

There are a number of factors that could negatively affect the Company's business and the value of the Common Shares, including the factors listed below. The following information pertains to the outlook and conditions currently known to the Company that could have a material impact on the financial condition of the Company. Other factors may arise that are not currently foreseen by management of the Company that may present additional risks in the future. Current and prospective security holders of the Company should carefully consider these risk factors.

Exploration and Development

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. While the Company has established current mineral resources on Santo Tomas, there is currently no known mineral reserve on Santo Tomas, and development of the property may only follow if further favourable exploration results are obtained.

Few properties that are explored are ultimately developed into producing mines. Even if the current known mineral deposit is confirmed, the development of a mining operation typically involves large capital expenditures and a high degree of risk and uncertainty. Unusual or unexpected formations, formation

pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain adequate machinery, equipment and/or labour are some of the risks involved in mineral exploration activities. Substantial expenditures are required to establish current resources and reserves through drilling, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. There is no certainty that the expenditures made by the Company towards the exploration and evaluation of mineral deposits on its properties will result in discoveries or production of commercial quantities of ore. There is also no assurance that even if commercial quantities of ore are discovered, that Santo Tomas will be brought into commercial production or that the funds required to exploit any mineral reserves and resources discovered by the Company will be obtainable on a timely basis or at all.

The decision as to whether a particular property contains a commercial mineral deposit and should or could be brought into production will depend on the results of exploration programs and/or geological and other studies, and the recommendations of duly qualified engineers and geologists. Several significant factors will be considered, including, but not limited to: (i) the particular attributes of the deposit, such as size, grade, metallurgical characteristics, and proximity to infrastructure; (ii) mineral prices, which are highly cyclical; (iii) government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, permitting, importing and exporting of minerals and environmental protection; (iv) available working capital and ongoing costs of exploration and development; (v) availability, terms and cost of additional funding; and (vi) local community and landowner opposition to access mineral rights. Most of the above factors are beyond the control of the Company. The exact effect of these factors cannot be accurately predicted, but one or any combination of these factors may result in the Company not being able to pursue its business plans or strategy or its shareholders not receiving an adequate return on invested capital. The Company may even be required to abandon its business and fail as a "going concern".

In addition, there is no assurance that the Company will be able to obtain all necessary permits, surface access rights, water rights and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on Santo Tomas, or any other properties that the Company may acquire in the future.

The success of neighbouring or contiguous properties, or other exploration properties, in the region or elsewhere in the world, is not an accurate indicator of the likelihood of success of the properties of the Company, including Santo Tomas.

No Mineral Reserve

The term "reserve(s)" cannot be used to describe any of the Company's exploration properties due to the stage of exploration at this time. There is no assurance that the Company will establish the existence of a mineral reserve on Santo Tomas in commercially exploitable quantities. Any information, including quantities and/or grade, described in this AIF or the Santo Tomas Report should not be interpreted as assurances of a potential reserves, or of potential future mine life or of the viability or profitability of future operations. No assurance can be given that any particular level of recovery of minerals will be realized or that any potential quantities and/or grade will ever qualify as a reserve, or that any such mineral reserve will ever qualify as a commercially viable (or mineable) deposit which can be legally and economically exploited. Where expenditures on a property have not led to the discovery of mineral reserves, incurred expenditures will generally not be recoverable. If the Company loses, abandons or otherwise disposes of its interest in all or part of Santo Tomas, there is no assurance that it will be able to acquire another mineral property of merit.

Permits and Licenses

The operations of the Company require permits and licenses from various governmental authorities to carry out exploration and development Santo Tomas. Obtaining permits can be a complex and time-consuming process. There can be no assurances that the Company will be able to obtain all necessary permits and licenses that may be required to carry out exploration, development and mining operations in a timely manner or at all. Failure to obtain such permits and licenses may adversely affect the Company's business as the Company would be unable to legally conduct its intended exploration work, which may result in it losing its interest in the subject property. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that the Company will have the resources or expertise to meet its obligations under such licenses and permits.

Title to Assets

Although the Company has or will receive title for any concessions in which it has or will acquire a material interest, there is no guarantee that title to such concessions will be not challenged. The Company can never be certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex. The Company does not carry title insurance on its properties. In some countries, the system for recording title to the rights to explore, develop and mine natural resources is such that a title provides only minimal comfort that the holder has title. Also, in many countries claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those countries. A successful claim that the Company (or its option partner) does not have title to a property could cause the Company to lose its right to that property, perhaps without compensation for its prior expenditures relating to the property.

Although the Company has exercised reasonable commercial due diligence with respect to confirming title to the Santo Tomas Concessions and other concessions making up Santo Tomas, there can be no assurance that the Company's rights or interests in and to such properties will not be further challenged, impugned or revoked.

Surface Rights and Access

Although the Company acquires the rights to some or all of the minerals in the ground subject to the mineral tenures that it has acquired, or has a right to acquire, it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. It is necessary to negotiate surface access or to purchase the surface rights if long- term access is required. There can be no guarantee that the Company will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore it may be unable to carry out exploration and mining activities. The inability of the Company to secure surface access or purchase required surface rights could materially and adversely affect the timing, cost or overall ability of the Company to develop Santo Tomas.

Requirement for New Capital

As an exploration stage company without revenues from operations, the Company needs more capital than it currently has available to it. The Company has to raise, by way of debt or equity financing, considerable funds to meet its capital needs. There is no assurance that sufficient funding will be available to the Company for further exploration and development of its property interests or to fulfill its obligations under applicable agreements. There can be no assurance that the Company will be able to obtain adequate

financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of new projects with the possible loss of such properties. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Company's shareholders.

If mineable deposits are discovered, substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that resources will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained at all or on terms acceptable to the Company.

Dilution

The Company will require additional financing in the future. The Company may issue securities on less than favourable terms to raise sufficient capital to fund its business plan. Any transaction involving the issuance of equity securities or securities convertible into Common Shares would result in dilution, possibly substantial, to present and prospective holders of Common Shares.

Operating Hazards and Risks

Exploration for natural resources involves many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Although the Company has or may obtain liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Fluctuating Commodity Prices

The Company's revenues, if any, are expected to be in large part derived from the extraction and sale of copper, molybdenum, gold and silver resources or interests related thereto. The price of those commodities has fluctuated widely, particularly in recent years, and is affected by numerous factors beyond the Company's control including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. Current and future price declines could cause commercial production to be impracticable. The Company's revenues and earnings could also be affected by the prices of other commodities. The effect of these factors on the price of copper, molybdenum, gold and silver resources, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted.

No Assurance of Profitability

The Company has no history of production, revenue or earnings and due to the nature of its business there can be no assurance that the Company will establish mining operations on Santo Tomas, or that if it does so, that such operations will be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The Santo Tomas Project is in the

exploration stage. The commercial viability of an established mineral deposit will depend on a number of factors including, by way of example, the size, grade, and other attributes of the mineral deposit, the proximity of the mineral deposit to infrastructure such processing facilities, roads, rail, power, and a point for shipping, government regulation, and market prices. Most of these factors will be beyond the Company's control, and any of them could increase costs and make extraction of any identified mineral deposit unprofitable.

Continued exploration of Santo Tomas and the future development of Santo Tomas, if found to be economically feasible, will require significant funds. The only present source of funds available to the Company is through the sale of its equity shares, short-term, high-cost borrowing or the sale or optioning of a portion of its interest in Santo Tomas or a secondary project. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through further equity offerings, short-term borrowing or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

No History of Commercial Production

If the Company seeks to move Santo Tomas out of exploration and into development and production, then such efforts will be subject to all of the risks associated with establishing new mining operations and business enterprises, including:

- the timing and cost, which are considerable, of the construction of mining and processing facilities;
- the availability and costs of skilled labour and mining and processing equipment;
- compliance with environmental and other governmental approval and permit requirements;
- the availability of funds to finance construction and development activities;
- potential opposition from non-governmental organizations, local groups or local inhabitants that may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of labor, fuel, power, materials and supplies.

It is common in new mining operations to experience unexpected problems and delays during construction, development and start-up. In addition, the Company's management and workforce will need to be expanded, and sufficient housing and other support systems for the Company's workforce will have to be established. This could result in delays in the commencement of mineral production and increased costs of production. Accordingly, there can be no assurance that the Company will successfully establish mining operations or that if it does so, that it will result in profitable mining operations.

Development of Mineral Projects into Commercially Viable Mines

Development projects require significant expenditures during the development phase before production is possible. Development projects are subject to the completion of successful feasibility studies and environmental assessments, issuance of necessary governmental permits and availability of adequate financing. The economic feasibility of development projects is based on many factors such as: estimation of Mineral Reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future mineral prices, and anticipated capital and operating costs of these projects. The Santo Tomas Project has no operating history upon which to base estimates of future production and cash operating costs.

Particularly for development projects, estimates of proven and probable mineral reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will differ significantly from those currently estimated for a project prior to production.

Any of the following events, among others, could affect the profitability or economic feasibility of the Company's development projects: unanticipated changes in grade and tonnes of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems, incorrect data on which engineering assumptions are made, availability of labor, costs of processing and refining facilities, availability of economic sources of power, adequacy of water supply, availability of surface on which to locate processing and refining facilities, adequate access to the site, unanticipated transportation costs, government regulations (including regulations with respect to prices, royalties, duties, taxes, permitting, restrictions on production, quotas on exportation of minerals, environmental), fluctuations in copper, molybdenum, gold and silver resources prices, accidents, labor actions and force-majeure events.

Dependence on Principal Project

The Company is currently dependent on one principal mineral project, Santo Tomas, which is an advanced exploration stage project. The Santo Tomas Project may never develop into a commercially viable mine, which would have a materially adverse effect the Company's profitability, financial performance and results of operations.

Taxation

The Company has operations and conducts business in Mexico and it is subject to its taxation laws. These taxation laws are complicated and subject to change. The Company may also be subject to review, audit and assessment in the ordinary course. Any such changes in taxation law or reviews and assessments could result in higher taxes being payable or require payment of taxes due from previous years, which could adversely affect the Company's financial position. Taxes may also adversely affect the Company's ability to repatriate earnings and otherwise deploy its assets.

Environmental Factors

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions of spills, release or emission of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which could result in environmental pollution. Failure to comply with such legislation may result in imposition of fines and penalties. In addition, certain types of operations require submissions to and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards and enforcement. These laws and regulations will require the Company to acquire permits and other authorizations for certain activities. There can be no assurance that the Company will be able to acquire such necessary permits or authorizations on a timely basis, if at all. Fines and penalties for non-compliance are also more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

Reclamation Costs

Land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance, and the Company is subject to such requirements at its mineral properties. Decommissioning liabilities include requirements to control dispersion of potentially deleterious effluents and reasonably re-establish pre-disturbance land forms and vegetation.

In order to carry out reclamation obligations arising from exploration and potential development activities, the Company may be required to allocate financial resources that might otherwise be spent on further exploration and development programs. Reclamation costs are uncertain and planned expenditures may differ from the actual expenditures required. If the Company is required to carry out unanticipated reclamation work, its financial position could be adversely affected.

Competition

The resource industry is intensely competitive in all its phases, and the Company competes with many other companies possessing greater financial resources and technical facilities than it has. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

Global Financial Conditions

Market events and conditions, including disruptions in the Canadian, United States and international credit markets and other financial systems and the continued volatility of the Canadian, United States and global economic conditions, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on the Company's ability to fund its working capital and other capital requirements. Notwithstanding various actions by the United States and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions continue to be volatile and unpredictable. Any disruption in the credit and financial markets could have a material adverse impact on a number of financial institutions and give rise to limited access to capital and credit for many companies, particularly junior resource enterprises such as the Company. These disruptions could, among other things, make it more difficult for the Company to obtain, or increase its cost of obtaining, capital and financing for its operations. The Company's access to additional capital may not be available on terms acceptable to the Company or at all.

Political and Economic Instability

The Company may acquire properties located in countries where mineral exploration activities may be affected by varying degrees of political instability and haphazard changes in government regulations such as tax laws, business laws and mining laws. Any changes in regulations or shifts in political conditions would be beyond the control of the Company and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price control, export controls, income taxes, and expropriation of property, environmental legislation, and mine safety.

The Company may also be affected by possible economic instability. The risks include, but are not limited to, terrorism, military repression, extreme fluctuations in currency exchange rates and high rates of inflation. Changes in resource development or investment policies or shifts in political attitude in certain countries may adversely affect the Company's business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income

taxes, expropriation of property, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted.

Anti-Bribery Laws

The Canadian *Corruption of Foreign Public Officials Act* and the U.S. *Foreign Corrupt Practices Act* and anti-bribery laws in other jurisdictions, prohibit companies and their intermediaries from making improper payments for the purposes of obtaining or retaining business or other commercial advantage. The Company's policies mandate compliance with these anti-bribery laws, which often carry substantial penalties. The Company operates in jurisdictions that have experienced governmental and private sector corruption to some degree, and, in certain circumstances, strict compliance with anti-bribery laws may conflict with certain local customs and practices. There can be no assurances that the Company's internal control policies and procedures will always protect it from reckless or other inappropriate acts committed by the Company's affiliates, employees or agents. Violations of these laws, or allegations of such violations, could have a material adverse effect on the Company's business, financial position and results of operations.

Foreign Exchange Rate Risk

The Company reports its consolidated financial statements in Canadian dollars but its operations are currently in Mexico. As a consequence, the financial results of the Company's operations as reported in Canadian dollars are subject to changes in the value of the Canadian dollar relative to the Mexican Peso and, to a much lesser extent, the US dollar. Exploration activities in Mexico are funded through the Company's Mexican subsidiaries and are recorded in Mexican Pesos and translated into Canadian dollars in preparing the consolidated financial statements. As a result, the Company can be exposed to significant fluctuations in the exchange rate between the Mexican Peso and the Canadian dollar. The Company does not currently enter into any foreign exchange hedges to limit exposure to exchange rate fluctuations. The Company's directors continually assesses the Company's strategy toward its foreign exchange rate risk, depending on market conditions.

Litigation Risk

The Company may be subject to claims (including class action claims and claims from government regulatory bodies) based on allegations of negligence, breach of statutory duty, breach of contract, public nuisance or private nuisance or otherwise in connection with its business or operations. Liability resulting from any such claim in the future may have a materially adverse effect on the Company's financial condition or operations.

Government Regulation

Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental and wildlife protection, mining taxes and labour standards. The Company cannot predict whether or not such legislation, policies or controls, as presently in effect, will remain so, and any changes therein (for example, significant new royalties or taxes), which are completely outside the control of the Company, may materially adversely affect the ability of the Company to continue its planned business within any such jurisdictions.

Management and Dependence on Key Personnel

The Company is dependent upon the personal efforts and commitment of its management, which is responsible for the development of future business. To the extent that management's services would be

unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company. The Company is dependent on a relatively small number of key officers, consultants and employees, the loss of any of whom could have an adverse effect on the Company. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success.

Conflicts of Interest

Certain of the directors and officers of the Company may also serve as directors, officers and/or advisors of and to other companies involved in natural resource mining, exploration and development. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. The Company expects that any decision made by any of such directors and officers involving the Company 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 or which are governed by the procedures set forth in the BCBCA and any other applicable law.

Illegal Activity in the Countries in Which the Company Operates Could Have an Adverse Effect on Operations

The Company's primary mineral exploration activities are conducted in Mexico and are exposed to various levels of political, economic and other risks and uncertainties. These risks include but are not limited to, hostage taking, murder, illegal mining, high rates of inflation, corruption of government officials, blackmail, extortion and other illegal activity. Corruption of foreign officials could affect or delay required permits, service levels by foreign officials, and protection by police and other government services.

Mexico continues to undergo sometimes violent internal struggles between the government and organized crime with drug cartel relations and other unlawful activities. The number of kidnappings, violence and threats of violence throughout Mexico is of particular concern and appears to be on the rise. While the Company takes measures to protect both personnel and property, there is no guarantee that such measures will provide an adequate level of protection for the Company or its personnel. The occurrence of illegal activity against the Company or its personnel cannot be accurately predicted and could have an adverse effect on the Company's operations.

DIVIDENDS AND DISTRIBUTIONS

The Company has paid no dividends since its inception. At the present time, the Company has no earnings from which to pay dividends. The payment of dividends in the future will depend on the earnings and financial condition of the Company and on such other facts as the Board of Directors of the Company may consider appropriate. However, since the Company is currently in the advanced exploration stage, it is unlikely that earnings, if any, will be available for the payment of dividends in the foreseeable future.

CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of Common Shares without par value. As at November 30, 2024, there are 243,265,585 Common Shares issued and outstanding.

The holders of the Common Shares are entitled to notice of, to attend, and to vote at all meetings of the Company's shareholders. The holders of the Common Shares are entitled to receive dividends if, as and

when declared by the directors, and rank *pari passu* with one another in any distribution of property or assets upon the liquidation, winding-up or other dissolution of the Company.

The Company's Common Shares carry no pre-emptive rights, conversion or exchange rights, retraction, sinking fund or purchase fund provisions. There are no provisions requiring the holders the shares of the Company to contribute additional capital and no restrictions on the issuance of additional securities by the Company. There are no restrictions on the repurchase or redemption of shares by the Company except as otherwise set out herein and to the extent that any such repurchase or redemption would render the Company insolvent pursuant to the BCBCA.

As at November 30, 2024, the Company had 13,835,000 stock options to purchase Common Shares outstanding as follows:

Number Issued	Exercise Price	Expiry Date
300,000	$2.05	March 1, 2025
600,000	$2.05	March 29, 2025
5,950,000	$2.05	May 2, 2025
150,000	$1.10	February 12, 2026
450,000	$1.10	April 3, 2026
6,385,000	$0.75	April 8, 2027

As at November 30, 2024, the Company had 26,589,338 share purchase warrants to purchase Common Shares of the Company outstanding as follows:

Number Outstanding	Exercise Price	Expiry Date
3,232,463	$1.05	March 25, 2025
6,729,850	$0.65	May 30, 2025
3,635,757	$0.65	July 15, 2025
2,692,308	$0.90	August 15, 2025
2,570,000	$0.65	August 15, 2025
7,728,960	$0.65	June 6, 2026

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares trade on the TSX-V under the symbol "OCO", on OTCQB under the symbol "ORRCF", and on the Frankfurt Exchange under the symbol "OR6". The following table shows the high, low and closing prices and total trading volume of the Common Shares on the TSX-V on a monthly basis for the for the six months ended November 30, 2024 and the financial year ended May 31, 2024:

Month	High	Low	Volume
November 2024	0.340	0.255	1,888,782
October 2024	0.360	0.325	1,388,845
September 2024	0.375	0.325	2,417,775
August 2024	0.395	0.325	3,426,909
July 2024	0.390	0.320	2,054,469

Month	High	Low	Volume
June 2024	0.440	0.320	1,389,762
May 2024	0.630	0.415	3,883,114
April 2024	0.710	0.485	2,059,514
March 2024	0.670	0.355	1,298,154
February 2024	0.410	0.350	832,895
January 2024	0.460	0.370	1,650,255
December 2023	0.495	0.365	1,840,509
November 2023	0.490	0.365	2,341,460
October 2023	0.730	0.455	2,048,535
September 2023	0.740	0.660	574,645
August 2023	0.710	0.640	916,831
July 2023	0.750	0.660	1,188,930
June 2023	0.800	0.700	632,436

Prior Sales

The following table summarizes the unlisted securities granted by the Company during the six months ended November 30, 2024 and the financial year ended May 31, 2024:

Issue Date	Issue / Exercise Price per Security	Number and Type of Security
April 8, 2024	$0.75	6,385,000 incentive share purchase options
June 6, 2024	$0.65	7,025,561 warrants
June 6, 2024	$0.45	703,399 warrants

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As at November 30, 2024, the Company had 11,662,000 Common Shares in escrow, comprising 4.79% of the issued and outstanding Common Shares of the Company as of that date.

The escrowed shares are on deposit with the Company's transfer agent, Computershare Trust Company of Canada and bear a transfer restriction legend. The escrowed shares are released from escrow in five instalments of 2,332,400 Common Shares on each March 2nd between 2025 and 2029.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets out the names of the current directors and executive officers of the Company as at November 30, 2024, provinces or states and countries of residence, positions with the Company, principal occupations within the five preceding years, periods during which each director has served as a director and the number of Common Shares and percentage of the issued Common Shares beneficially owned, directly or indirectly, or subject to control or direction by that person.

There have been no changes to the composition of the Company's Board of Directors or its executive officers since April 1, 2022.

The term of each of the current directors of the Company will expire at the next annual general meeting unless his office is vacated earlier in accordance with the Articles of the Company, or he becomes disqualified to act as a director.

Name, Position and Municipality of Residence	Principal Occupation for the Past Five Years [(1)]	Director / Executive Officer Since	Number and Percentage of Common Shares Beneficially Owned or Controlled [(1)]
Craig Dalziel [(2)] British Columbia, Canada *Director & Executive Chairman*	Director and President (until March 1, 2020), CEO (until March 29, 2022) Executive Chairman of the Company	August 7, 2009	17,031,308[(5)] 7.0%
Richard Lock Montana, United States *Director & CEO*	Director and CEO of the Company; Director of First Mining Gold Corp.; Director of Intrepid Minerals Corp.; and Senior VP, Polymet Mining Corp (until March 29, 2022)	April 1, 2022	100,026 0.04%
Steven Vanry[(3)] British Columbia, Canada *Director & CFO*	Director and Chief Financial Officer of the Company. Chief Financial Officer and Director Pace Metals Ltd., CFO of Wedgemount Resource Corp.; Director of Pender Street Capital Corp., American Critical Minerals Corp. and DeepMarkit Corp.;	Director from December 16, 2009 to July 9, 2020; and From December 23, 2020 CFO since December 16, 2009	45,000[(6)] 0.02%
Ian Graham British Columbia, Canada *Director & President*	Director and President of the Company; Director of Fidelity Minerals Corp., Pantera Silver Corp., and Green Battery Minerals Inc., Director and acting Chair of Commerce Resource Corp. President of nKwazi Resource Management Inc. a private company providing consulting services to the mining and exploration industry.	February 25, 2020	933,975 0.38%
Stephen Leahy[(3)(4)] British Columbia, Canada *Director*	Director of the Company, Director of Valemount Glacier Destination Resorts Ltd., a non-reporting company developing the Valemount Glacier resort, Chairman of Winshear Gold Corp.	November 8, 2006	1,363,000 0.56%
Robert Friesen[(2)(3)(4)] British Columbia, Canada *Director*	Retired. Previously president of Friesen Geological Services Inc., a private company that offered consulting services to the mining and exploration industry.	November 9, 2007	358,800 0.15%

Name, Position and Municipality of Residence	Principal Occupation for the Past Five Years [(1)]	Director / Executive Officer Since	Number and Percentage of Common Shares Beneficially Owned or Controlled [(1)]
Ian Rice[(2)] London, Great Britain *Director*	Director of the Company, on the Advisory Board of Bean Capital, a London Private Equity firm, since 2017, consultant to Larsan Limited, a London Private Equity firm, since 2019.	July 9, 2020	0 0%
David Rose British Columbia Canada *Corporate Secretary*	Corporate Secretary of the Company	August 27, 2006	9,641,750 3.96%

Notes:

(1) The information as to principal occupation, business or employment, and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above not elected at the last annual general meeting have held the principal occupation or employment indicated for at least the five preceding years.
(2) Denotes a member of the audit committee (the "**Audit Committee**").
(3) Denotes a member of the compensation committee (the "**Compensation Committee**").
(4) Denotes a member of the governance committee (the "**Governance Committee**").
(5) Mr. Dalziel controls or directs, directly or indirectly, 1,050,000 Common Shares through a private company called ATM Holdings Ltd., 15,000,308 Common Shares through a private company called ATM Mining Corp. and 831,000 Common Shares through a private company called Sunda Mining Corporation.
(6) Mr. Vanry controls or directs 45,000 Common Shares registered in the name of a private company called 677185 BC Ltd.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, except as detailed below, no director or executive officer of the Company, or a personal holding company of such person is, as at the date of this AIF, or has been, within 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes herein, "order" means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

On August 27, 2021, the British Columbia Securities Commission ("**BCSC**") issued a cease trade order to Spey Resources Corp., of which Mr. Graham was Director at the time, for failing to file: (a) a technical report ; (b) a business acquisition report in respect of the acquisition of a private company (the "**Acquisition**"); (c) the material contracts in respect of the Acquisition; (d) a material change report in respect of the Acquisition and (e) the management discussion and analysis for the three and six months ended May 31, 2021. The cease trade order was revoked on August 12, 2022.

Mr. Graham previously served as a director of Cache Exploration Inc. ("**Cache**") from January 2020 to April 2022. The BCSC issued a management cease trade order against insiders of Cache for failure to file annual audited financial statements and management's discussion and analysis for the year ended September 30, 2020. Cache then failed to file the audited annual financial statements by the new deadline of March 29, 2021. Consequently, the BCSC issued a cease trade order against Cache for the failure to file the audited annual financial statements. The cease trade order and management cease trade order were both revoked on April 7, 2021. On June 4, 2021, while Mr. Graham was still in office, the BCSC issued another cease trade order against Cache for failing to file its interim financial statements and MDA for the period ending March 31, 2021. The order remains in effect

To the knowledge of the Company, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities to affect materially the control of the Company, or a personal holding company of such person:

(a) is, as at the date of the AIF, or has been within the 10 years before the date of the AIF, a director or executive officer of any company (including your company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

(b) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder;

(c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors or officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of

natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. The directors of the Company are required to act honestly, in good faith and in the best interests of the Company. In determining whether or not the Company will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

The directors and officers of the Company are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors and officers of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the BCBCA and will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

To the best of the Company's knowledge, and other than as disclosed above and elsewhere in this AIF, there are no known existing or potential conflicts of interest among the Company, its subsidiaries, directors and officers or other members of management of the Company or its subsidiaries as a result of their outside business interests.

Audit Committee Information

Pursuant to the provisions of the BCBCA and NI 52-110 of the Canadian Securities Administrators, the Company is required to have an Audit Committee and to disclose in its AIF certain information concerning the constitution of its audit committee and its relationship with the Company's independent auditor. The general function of the Audit Committee is to review the overall audit plan and the Company's system of internal controls, to review the results of the external audit, and to resolve any potential dispute with the Company's auditor.

Audit Committee Charter

A copy of the charter of the Audit Committee is attached to this AIF as Schedule "A"**.**

Composition of the Audit Committee

The Company's current Audit Committee consists of Ian Rice, Craig Dalziel and Robert Friesen. Each of the audit committee members are considered to be financially literate as defined by NI 52-110 in that each committee member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee are elected by the Board at its first meeting following the annual shareholders' meeting. Unless a chair is elected by the full Board, the members of the Committee designate a chair by a majority vote of the full Committee membership.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, that could, in the view of the Company's Board of Directors, reasonably interfere with the exercise of the member's independent judgment. Two members of the Audit Committee, Ian Rice and Robert Friesen, are considered to be independent. Craig Dalziel is

considered not to be independent within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

All three Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements and are therefore considered "financially literate".

Ian Rice – Mr. Rice has over 40 years of experience in senior management in public and private companies, with a focus on the mining and renewable energy sectors, including as a director of Navan Resources PLC., as well as being Chairman of the General-Purpose Committee of the Melbourne City Counsel overseeing allocation of the city's budget. Mr. Rice has extensive experience in operations, business development and strategy and finance.

Robert Friesen – Mr. Friesen is a Professional Geologist, has over 45 years mining and exploration experience. He held senior management and directorship roles of public companies for many years, including previously being a director and sitting on the audit committee of Network Explorations Ltd. Mr. Friesen has a solid understanding of financial statements, their preparation, analysis, and interpretation. He has completed an in-house financial analysis course with Noranda Inc.

Craig Dalziel – Mr. Dalziel is a self-employed businessman with over 35 years of experience in public companies and corporate finance. He has been a business development and finance consultant to several reporting issuers as well as having been a director and a chief executive officer for reporting issuers. This experience has provided Mr. Dalziel with an understanding of the accounting principles used by the Company to prepare its financial statements and to analyze or evaluate the Company's financial statements.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in the section 2.4 (De Minimis Non-audit Services), subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), subsection 6.1.1(5) (Events Outside Control of Member), subsection 6.1.1(6) (Death, Incapacity or Resignation), or under Part 8 (Exemption) of NI 52-110.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor that were not adopted by the Board of Directors.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board, and where applicable the audit committee, on a case-by-case basis.

LEGAL PROCEEDINGS

As of the date of this AIF, the Company is, directly or indirectly, a party to the following legal actions:

1. **Amendments to the Mexican Mining Law** (the "**Amendments**"). Amendments to Mexico's Mining Law and other national laws regarding mining and water concessions came into force in May 2023. The Amendments focus principally, but not exclusively, on the process of granting new concessions and their associated rights and obligations, which are not seen as being applicable to Oroco given that Santo Tomas is comprised of existing concessions. The Amendments are being challenged by, amongst others, the minority members of the Mexican Congress on procedural grounds (who are believed to have a very strong case based on precedent) and many Mexican mining companies. The Company's Mexican subsidiaries have each commenced *amparo* (petition for protection) action in District Federal Courts in the state of Sinaloa, Mexico as follows;

   (a) XG against the various departments and entities of the Mexican government responsible for passing and implementing the Amendments, seeking protection against the application of the Amendments against XG with regard to the Core Concessions; and

   (b) MX, and the other parties who hold interests in the Peripheral Concessions, seeking protection against the application of the Amendments against MX and its partners with regard to the Peripheral Concessions.

   In each of the above actions, the Company has been successful at the first instance, obtaining resolutions ordering *amparo* protection against application of the Amendments. In each case, the respondent government entities have filed an appeal of the decisions. In 2024, the Supreme Court of Mexico issued a general injunction against application of the Amendments in most states of Mexico, including Sinaloa and Chihuahua, while it considers the legal challenges before it against the validity of the Amendments. This general injunction has effectively suspended all legal actions in the lower courts against the Amendments pending the Supreme Court's determination as to whether the Amendments are legally valid.

2. **Rejection by the Public Registry of Mines of Applications for Registration of Contracts**. In 2024, the Public Registry of Mining (the "**PRM**") rejected applications by XG to register certain exploration rights agreements with regard to the Peripheral Concessions and by MX to register certain concession interest assignment agreements with regard to the Peripheral Concessions. Based on advice of Mexican counsel that these rejections were improper, the Company initiated *amparo* proceedings in a District Federal Court in the state of Sonora, Mexico as follows:

   (a) XG against the PRM seeking an order overturning the PRM's rejection of XG's application to register exploration rights agreements with regard to the Rossy, Papago 17, La China II and Papago Fracc 1 concessions. The PRM has since registered a subsequent XG exploration rights agreement with regard to the Rossy, La China II and AMP STO Tomas Reducc 1 concessions; and

(b) MX against the PRM's rejection of MX's application to register assignment of rights (interest in concessions) agreements with regard to the Rossy, Rossy 1, La China II and Amp. Sto. Tomas Red. 1 Concessions.

REGULATORY ACTIONS

There have been no penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the financial year ended May 31, 2024.

There have been no other penalties or sanctions imposed by a court or regulatory body against the Company during the financial year ended May 31, 2024 that would likely be considered important to a reasonable investor in making an investment decision.

There have been no settlement agreements that the Company has entered into before a court relating to securities legislation or with a securities regulatory authority during the financial year ended May 31, 2024.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No informed person (a director, officer or holder of more than 10% of the Company's issued and outstanding Common Shares) or any associate or affiliate of any informed person had any interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries, within the three most recently completed financial years or during the current financial year.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar for its Common Shares and warrants issued on June 6, 2024 is Computershare Trust Company of Canada ("**Computershare**"). Computershare's offices are at 510 Burrard Street, Third Floor, Vancouver, BC V6C 3B9.

MATERIAL CONTRACTS

Aside from contracts entered into in the ordinary course of business and not required to be filed under section 12.2 of NI 51-102, the Company has not entered into any material contracts in the most recently completed fiscal year, nor prior to the most recently completed fiscal year that are still in effect.

INTEREST OF EXPERTS

Names of Experts

Davidson & Company LLP, is the auditor of the Company. Davidson & Company LLP has confirmed to the Company that they are independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of BC.

The following persons and companies have prepared the report titled "*Revised Preliminary Economic Assessment and updated Mineral Resource Estimate for the North Zone and South Zone of Santo Tomas*" announced by the Company on August 20, 2024, with the related report prepared in compliance with NI 43-101 filed under the Company's profile on SEDAR+ on August 26, 2024.

Qualified Person	Professional Designation	Position	Employer	Independent of Oroco Resource Corporation
James Arthur Norine	P.E.	Vice President, Southwest USA	Ausenco Engineering USA South Inc.	Yes
James Millard	M. Sc., P. Geo.	Director, Strategic Projects	Ausenco Sustainability ULC	Yes
Peter Mehrfert	P. Eng.	Principal Process Engineer	Ausenco Engineering Canada ULC	Yes
Scott C. Elfen	P.E.	Global Lead Geotechnical Services	Ausenco Engineering Canada ULC	Yes
Andy Thomas	M. Eng., P.Eng.	Principal Rock Mechanics Engineer	SRK Consulting (Canada), Inc.	Yes
Fernando Rodrigues	BSc, MBA, MAusIMM, MMSAQP	Practice Leader, Principal Consultant	SRK Consulting (U.S.), Inc.	Yes
Ron Uken	PhD, PrSciNat	Principal Structural Geologist	SRK Consulting (Canada), Inc.	Yes
Scott Burkett	RM-SME B.Sc. Geology	Principal Consultant (Resource Geology)	SRK Consulting (U.S.), Inc.	Yes

Interests of Experts

To the knowledge of the Company based on information provided by the experts, none of the experts named above, at the time of preparing the applicable report, valuation, statement or opinion, held or has received or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates in connection with the preparation or certification of any report, valuation, statement or opinion prepared by such person.

External Auditor Service Fees

The aggregate fees billed by the Company's external auditor for the last two fiscal years are as follows:

Financial Year Ending	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	All Other Fees[(4)]
May 31, 2024	$85,000	Nil	Nil	Nil
May 31, 2023	$85,000	Nil	Nil	Nil

Notes:

(1) "Audit Fees" include aggregate fees billed by the Company's external auditor in each of the last two financial years noted above for audit fees.

(2) "Audit Related Fees" include the aggregate fees billed in each of the last two financial years noted above for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include the aggregate fees billed in each of the last two financial years noted above for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include the aggregate fees billed in each of the last two financial years noted above for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

ADDITIONAL INFORMATION

Additional information, including directors and officers' remuneration and indebtedness, principal holders of the Company's securities, securities authorized for issuance under the Company's equity compensation plan, executive stock options and interests of management and others in material transactions, where applicable, is contained in the annual management information circular for its most recent annual meeting of shareholders held on December 12, 2024

The following documents can be obtained upon request from Oroco by calling (604) 688-6200 or emailing it at info@orocoresourcecorp.com or on the SEDAR+ website (www.sedarplus.ca):

- this AIF, together with any document incorporated herein by reference;
- the financial statements and accompanying MD&A for each of the financial year ended May 31, 2024 and the six months ended November 30, 2024; and
- the Management Information Circular for the annual general meeting of shareholders of the Company held on December 12, 2024.

Schedule A

Charter of the Audit Committee of Oroco Resource Corp. (the "Company")

The Audit Committee is a committee of the board of directors (the "Board") of Oroco to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Audit Committee will:

(a) review and report to the Board of Oroco on the following before they are published:

  (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of Oroco;

  (ii) the auditors report, if any, prepared in relation to those financial statements,

(b) review Oroco's annual and interim earnings press releases before Oroco publicly discloses this information,

(c) satisfy itself that adequate procedures are in place for the review of Oroco's public disclosure of financial information extracted or derived from Oroco's financial statements and periodically assess the adequacy of those procedures,

(d) recommend to the Board:

  (i) the external auditor to be nominated for the purpose of preparing or issuing an d auditor's report or performing other audit, review or attest services for Oroco; and

  (ii) the compensation of the external auditor,

(e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Oroco, including the resolution of disagreements between management and the external auditor regarding financial reporting,

(f) monitor, evaluate and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established,

(g) monitor the management of the principal risks that could impact the financial reporting of Oroco,

(h) establish procedures for:

  (i) the receipt, retention and treatment of complaints received by Oroco regarding accounting, internal accounting controls, or auditing matters;

  (ii) the confidential, anonymous submission by employees of Oroco of concerns regarding questionable accounting matters,

(i) pre-approve all non-audit services to be provided to Oroco or its subsidiary entitles by Oroco's external auditor,

(j) review and approve Oroco's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of Oroco,

(k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109,

(l) review and recommend to the Board any changes to accounting policies;

(m) review the opportunities and risks inherent in Oroco's financial management and the effectiveness of the controls thereon; and

(n) review major transactions (acquisitions, divestitures and funding).

Composition of the Committee

The committee will be composed of three directors from the Board the majority of whom will be Independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each committee member will have no direct or indirect relationship with Oroco which, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three-month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

1. reporting to the Board on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors meeting; and
2. reviewing, and reporting to the Board on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by Oroco.