

PERUVIAN METALS CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Form 51-102F1

For the Year Ended March 31, 2026

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Report Dated: July 31, 2026

General

This Management's Discussion and Analysis ("MD&A") is provided for the purpose of reviewing the year ended March 31, 2026 and comparing results to the previous period. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's audited annual financial statements and corresponding notes for the twelve months ended March 31, 2026 and 2025. The Company's financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") and all monetary amounts are expressed in Canadian dollars unless otherwise indicated in the notes to the audited annual financial statements.

This MD&A is prepared as of July 31, 2026. Mr. Jeffrey Reeder, P.Geo., Chief Executive Officer and Chairman of the Company has either prepared, supervised the preparation of, or approved the scientific and technical disclosure in this MD&A. Mr. Reeder is a Qualified Person within the meaning of National Instrument 43-101 ("NI 43-101"). Additional information relevant to the Company's activities can be found at www.sedar.com.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in the sections "Mineral Exploration Properties", "Company Outlook" and "Liquidity and Capital Resources" of this MD&A constitute forward-looking statements. These statements relate to future events or the Company's future performance, business prospects or opportunities. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Information concerning the interpretation of drill results, mineral resource and reserve estimates and capital cost estimates may also be deemed as forward-looking statements as such information constitutes a prediction of what mineralization might be found to be present and how much capital will be required if and when a project is actually developed. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. These statements speak only as of the date of this MD&A. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on several assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions.
- the supply and demand for, deliveries of, and the level and volatility of prices of metals.
- the availability of financing for any of the Company's development projects on reasonable terms.
- the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis.
- the ability to attract and retain skilled staff.
- market competition.
- the accuracy of any resource estimates (including, with respect to size, grade and recoverability) and the geological, operational and price assumptions on which it is based.
- tax benefits and tax rates; and/or
- political uncertainty such as regulatory laws, statutes and permitting changes.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

These forward-looking statements involve risks and uncertainties relating to, among other things, changes in commodity prices, access to skilled mining development and mill production personnel, results of exploration and development activities, the Company's limited experience with production and development stage mining operations, uninsured risks, regulatory changes, defects in title, availability of materials and equipment, timeliness of government approvals, actual performance of facilities, equipment and processes relative to specifications and expectations and unanticipated environmental impacts on operations. Actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the risk factors incorporated by reference herein; please see "Risk and Uncertainties". The Company cautions that the foregoing list of important factors is not exhaustive. Investors and others who base themselves on the Company's forward-looking statements should carefully consider the above factors as well as the uncertainties they represent and the risk they entail. The Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as otherwise required by applicable law. The Company also cautions readers not to place undue reliance on these forward-looking statements. Moreover, these forward-looking statements may not be suitable for establishing strategic priorities and objectives, future strategies or actions, financial objectives, and projections other than those mentioned above.

Description of Business

Peruvian Metals Corp. ("Peruvian Metals" or the "Company") was incorporated under the laws of British Columbia on March 5, 1997, under the name 537926 B.C. Ltd. and its principal business activity is mineral processing and the acquisition and exploration of mineral properties. On June 18, 1997, the Company changed its name to Duran Gold Corp.; on August 10, 2000, the Company changed its name to Duran Ventures Inc.; and on September 5, 2018, the Company changed its name to Peruvian Metals Corp. to better reflect the nature of the Company's operations and business activities. On July 4, 2007, the Company was listed on the TSX Venture Exchange ("TSXV"). On October 14, 2008, the Shareholders approved the continuance of the Company under the Canada Business Corporations Act, which was completed by October 31, 2008. On April 4, 2022 the Company was listed on the OTCQB Venture Market ("OTCQB"). The Company's shares are traded on the TSXV under the symbol PER and OTCQB under the symbol DUVNF.

The Company is not in default under any debt or other contractual obligations. The Company has not been notified of any breach of any corporate, securities or other laws or of the terms of the listing agreement with the TSXV.

Peruvian Metals is focused on mineral processing and the exploration and development of precious and base metal properties in Peru.

The Company completed construction of the Aguila Norte mineral processing plant ("Aguila Norte" or the "Plant") in Northern Peru in late 2016 and began processing of concentrates in early 2017.

In addition to the development of a mineral processing operation, the Company has maintained its prospect generator model where it seeks new partners to explore and develop properties in Peruvian Metals' existing portfolio of exploration properties. The Company continues to generate and acquire new prospective mineral properties and seek partners to explore selected Peruvian Metals' properties.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Company Results and Outlook- Mineral Processing Plant and Exploration Project Plans

Aguila Norte Mineral Processing Plant

Peruvian Metals holds an 80% ownership interest in Minera Aguila de Oro SAC ("MADOSAC"), the joint company that built the Aguila Norte plant. The Company invested in excess of US\$1,500,000 in capital and other expenditures to acquire its 80% interest. The 20% ownership interest in MADOSAC is held by the Peruvian National who owned the concessions on which the plant was constructed. Peru has initiated a formalization process designed to register all small-scale mining operations. The registration will allow the government to tax income, and monitor and regulate health, safety and environmental issues for informal miners and will allow these operations to legally sell their mineral supply only to permitted mineral processing facilities. Peruvian Metals views this initiative into mineral processing as a solid step toward establishing a sustainable business model that will complement its exploration expertise and portfolio of mineral assets.

The Company completed construction of the plant during late 2016 and the commissioning of the crushing and milling circuits began shortly thereafter with the processing of third-party mineral. Initial production started in early 2017. Highlights of the mineral processing plant:

- Metal recovery is via flotation circuits designed to produce up to three distinct concentrates enabling processing of a wider spectrum of multi and poly-metallic sulphide mineral supply. Initial plant throughput is rated at 100 metric tonnes (mt) per day.
- Permitting is in place under the Peruvian government's formalization mandate to operate up to 100 mt per day. The Company has received full permits and licenses which will enable the expansion of the Aguila Norte Plant.

The location of the Aguila Norte plant facility is viewed as strategic by Peruvian Metals. Many processing plants in Peru are in the south, more specifically, in the Nasca and Chala areas located 990 and 1,150 kilometres south of the plant facility. There is access to water and power at the site that is located near the city of Trujillo, and it is 10 kilometres from the main Pan-American Highway, which runs the length of the country.

Since 2017, the Aguila Plant has processed 214,974 metric tonnes. Concentrate ratios (amount of mineral processed to tonnes of concentrates produced) have been averaging 4 :1. This shows the plant is producing quality concentrates for third parties.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Quarterly and Yearly Production in Metric Tonnes					
Year	1st qtr	2nd qtr	3rd qtr	4th qtr	totals
2017	1,271	0	0	1,032	2,303
2018	0	2,132	494	1,159	3,785
2019	2,103	7,509	5,175	3,723	18,510
2020	2,112	0	4,240	6,732	13,084
2021	5,934	5,956	7,934	8,829	28,653
2022	7,572	7,314	7,454	7,326	29,666
2023	6,031	7,758	7,789	8,621	30,199
2024	6,624	8,245	9,865	9,155	33,889
2025	9,168	9,332	9,494	8,622	36,616
2026	9,212	9,057			18,269
				Totals	214,974

Mineral Exploration Properties

All projects are described below.

Gold Properties

The Company holds several gold-silver mineral concessions in Northern Peru. The concessions are 100% owned with no underlying royalties, are road accessible, were subject to varying forms of small-scale artisanal mine workings and were acquired as potential mineral sources for Aguila Norte. The two properties acquired are summarized below.

Palta Dorado Property

On January 9, 2020, the Company signed a Memorandum of Understanding ("MOU") with Rio Silver Inc. ("Rio Silver") to initially establish a small-scale mining operation on the Palta Dorado Au-Ag-Cu Property ("Palta Dorado" or the "Property") located in the Ancash Mining Department in Northern Peru. The MOU led to a 50-50 ownership between Peruvian Metals and Rio Silver in a Peruvian company ("Joint Venture"). Equal ownership occurred when Peruvian Metals equally matched Rio Silver's capital investment in the Property of US \$250,000, in 2021.

In 2022, the Company shipped and sold 31 mt of oxide gold material from Palta Dorada to Inca One's Kori One processing plant located in southern Peru. The average grade of the material was 8.8 g Au/t Au and 74 g/t Ag. The Company is continuing to open up the old workings to reach the sulphide Cu-Au-Ag material for the collection of a bulk sample to process at the company's Aguila Norte plant. The Company will continue to ship and sell the oxide gold material to third party toll mills designed to treat this type of oxide material.

On January 15th, 2024, Peruvian Metals Corp. announced that it agreed to purchase Rio Silver's 50% interest in the Palta Dorada gold-silver-copper property located in northern Peru, resulting in 100% ownership. The Company previously earned 50% ownership in the property in 2020 by investing \$250,000 (U.S.). The Company continued to finance project costs after earning 50% ownership and it was determined by the Company that its in the best interest of all parties to consolidate the project into one entity.

During the third quarter, the Company acquired the remaining 50% interest in Palta Dorada by completing payments totaling \$250,000 (U.S.). Rio Silver will retain a 3-per-cent net smelter return which

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

is capped at \$2 million (U.S.). Peruvian Metals must also ensure that the royalty will pay a minimum of \$50,000 (U.S.) per year for a period of five years. As of March 31, 2026, the Company had paid \$75,000 (U.S.) in payments to Rio Silver's Peruvian subsidiary.

Work on the project stopped in mid-April 2023 due to severe weather conditions. Access roads to the main shaft were washed out. Apart from flooding, there was no serious damage to the infrastructure. Repairs to the access roads were commenced in October 2024 and have since been completed. The property camp site was also upgraded, and the Company is now in a position to restart exploration and development work.

During January 2026, the Company received metallurgical results on the main San Juan vein of the Palta Dorada property. The head grade of the new metallurgical sample assayed 8.30 grams Au/mt and 3.39 ounces Ag/mt. Gold and silver recoveries on the sulphide material using flotation returned 89% for gold and 61% for silver. The metallurgical sample was taken as a composite over 1 metre located 10 metres below the oxide and sulphide transition. Previously announced assay results on seven chip samples taken at various depths in the shaft from the quartz vein containing sulphides returned a weighted average of 10.51 grams Au/mt, 329 grams Ag/mt and 1.74 per cent Cu. Assay results from these samples range from 3.06 to 24.1 grams Au/mt, 36 to 865 grams Ag/mt and 0.31 per cent Cu to 4.94 per cent Cu over an average width of 0.60 metres. The head grade from the oxide material taken in the shaft above the sulphide mineralization returned 35.1 grams Au/mt and 1.51 ounces Ag/mt. The sample taken was a composite over half a metre width. Agitated cyanide leaching results show recoveries of 82% for gold and 58% for silver over 48 hours.

Mercedes Au-Ag-Pb-Zn Property – 50% interest

In February 2024, the Company signed a definitive agreement to acquire a 50-per-cent interest in San Maurizio Mines Inc., a private Manitoba-based company. San Maurizio holds an exclusive 100% direct interest in the Mercedes Property via its wholly owned Peruvian subsidiary, Basic Minerals SAC ("Basic Minerals"). Peruvian Metals acquired a 50% stake in San Maurizio by purchasing half of the outstanding shares currently owned by its sole shareholder, Hudson Heartland Ltd. ("Hudson") and by investing \$250,000 US (completed) and issuing 2.5 million shares to Hudson (completed). The project is subject to a 20% Net Profit Interest ("NPI") which will be eliminated once US\$4 million has been paid to the NPI holder. Afterwards, a 1.5% Net Smelter Royalty ("NSR") will be paid to the NPI holder. San Maurizio retains the right to buyout the NSR for US\$1.5 million.

The Property is situated in the Junin Department in central Peru and covers an area of 1,345 hectares. The Property is accessed via a well-maintained gravel road extending approximately 40 kilometers from the town of Concepcion. The region boasts excellent infrastructure, complemented by a nearby local airport. Concepcion is strategically positioned on the central highway, enhancing transportation connectivity to the area.

The Property has a history of extensive underground workings, featuring numerous horizontal drifts and vertical raises totaling over 1,000 meters. Dating back to the early 1980s, previous operators concentrated on four primary structures known as Victor I, Victor II, Charo and the Kelly vein. Over 15 mineralized structures have been identified, intersecting Upper Cretaceous and Late Tertiary Succlamachy granites. These structures, including the Victor and Kelly veins, run subparallel to a large U-shaped gully, providing convenient underground access via adit to the mineralized structures, thus enhancing the Property's overall prospectivity.

The initial exploration and development phase has focused on the Victor II vein, and the Company plans on creating a 250-meter drift crosscut to access the Victor I, II and Kelly veins, positioned 50 meters below the historical workings.

Metallurgical results have confirmed the high recoveries of silver and gold at Mercedes. The lead and zinc content is determined to be insignificant compared with the silver-gold. To achieve the higher

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

recoveries, metallurgical work and future processing only focused on the recoveries of silver-gold. The Company is currently designing its process method to produce only one silver-gold concentrate. Concentrates are expected to contain low to moderate amounts of lead.

One large composite sample over several tens of metres was recently taken in the Victor II workings. The head grade of the composite sample returned 3.69 grams per metric tonne gold and 9.4 ounces per metric tonne silver. Metallurgical results using flotation methods produced a concentrate grading 33.03 ounces per metric tonne silver and 12.23 grams per metric tonne gold. Silver-gold recoveries returned 97.85 per cent and 92.19 per cent, respectively. A mineral-to-concentrate ratio of 3.50:1 was also achieved. The Victor II vein is well exposed in two levels in the underground adits. The mineralized structure ranges in width from 0.30 to 1.0 metre in width, as reported by company geologists

During the 2025, the Company located a fourth mineralized structure called the Charo vein. This mineralized structure is located 475 metres west of the Victor II vein and on the opposite side of the U-shaped gully. A historic 45-metre adit was located and cleaned out. The adit opening was re-established and secured for access. One large composite sample was taken over the length of vein for metallurgical work. The head grade of the composite assayed 0.63 gram per metric tonne gold and 6.10 ounces per metric tonne silver. Metallurgical results using flotation methods produced a concentrate grading 48.42 ounces per metric tonne silver and 4.01 grams per metric tonne gold. Silver-gold recoveries returned 92.3 per cent silver and 74.7 per cent gold. A mineral-to-concentrate ratio of 8.54:1 was achieved.

Peruvian Metals' management actively supported Basic Minerals by facilitating the acquisition of permits for bulk sampling extraction and successfully securing access agreements with the local community. The agreement with the community is valid for six years and allows local access to the mine site for exploration and exploitation of minerals. The agreement between Basic Minerals and Comunidades Campesinas y Nativas Comunidad Campesina de Pomamanta has been accepted and registered with Sunarp Peru's public registry. Development and exploration costs will be equally shared with Hudson Heartland Ltd.

Minas Yanayco

The 500-hectare Minas Yanayco property is located in the Ancash Department near the small town of Pueblo Libre. The property is accessed via roughly 292 kilometres of mostly asphalt roads from the Aguila Norte plant and encompasses epithermal, oxide gold-silver mineralization hosted in fractured, brecciated, and faulted quartzites of the Chimu Formation. Historical mine workings are localized in a highly brecciated fault zone parallel to the hinge of an overturned, tightly folded syncline where at least two periods of exploitation have occurred including small, artisanal style tunnels and a large mechanically exploited stope measuring roughly 3,450 square metres entering the hill for 170 metres with widths of up to 30 metres. Production from the Yanayco Mine occurred in the late 70's and early 80's. Sampling in the old workings has returned up to 7.33 g Au/t and 1,058 g Ag/t in individual samples with sample lengths of 0.6 meters and 0.4 metres, respectively. In total, 36 random samples were taken underground and averaged 0.73 g Au/t and 66.9 g Ag/t. It is apparent that the Au-Ag grade depends on the brecciation intensity. The old mine dumps returned anomalous results from grab samples with individual samples assaying up to 4 g Au/t and 431 g Ag/t. In total, 14 samples were collected from the old mine dumps and averaged 0.81 g Au/t and 151 g Ag/t. These samples are random grab samples outside the workings and are not necessarily representative of the mineralization hosted on the property. The Company intends to conduct mapping to understand the structural controls on the gold-silver mineralization.

The Chimu quartzites are excellent hosts for precious metal mineralization in Northern Peru. Barrick's massive Alto Chicama Mine and Tahoe's La Arena mines are excellent examples of this type of precious metal mineralization. The exploration target at Minas Yanayco is an underground high-grade operation similar to PPX Mining's Igor Project in Northern Peru.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Minas Maria Norte Property

The Minas Maria Norte is in the Huachocopla Mining District in Southern Peru. The property consists of 4 concessions totaling 388 hectares and they are held in Peruvian Metals' subsidiary Mamaniña Exploraciones S.A.C ("Mamaniña"). On December 12, 2025, the Company closed a sale transaction with Rio Silver whereby Rio Silver purchased the Company's Minas Maria Norte property via acquisition of 100% of the issued and outstanding common shares of the Company's Mamaniña Exploraciones subsidiary. The consideration received, or to be received, for the sale was as follows:

- Initial cash payments of \$15,000 (received) and \$12,500 USD (received);
- 3,999,999 common shares of Rio Silver (received);
- 10 equal semi-annual cash payments of \$25,000 USD commencing June 15, 2025 and ending December 15, 2029 (two payments received)

Minas Visca

In November 2021, the Company acquired a high-grade silver-lead-zinc property by submitting a superior offer in a closed bid auction at the Peruvian Public Registry of Mining. Other bidders for the area included Newmont Peru SRL and Mitsui Mining & Smelting Co.

The property covers an area of approximately 94 hectares and includes several old mine workings. The property is road accessible from Lima by a well paved highway and by 50 kilometres of dirt road. Historical reports from the area by Banco Minero del Peru note that a metallurgical sample was taken from the workings that averaged 13.16 oz/t Ag with 2.55% Pb and 3.77% Zn. Results from the metallurgical test show that two concentrates can be produced with the first averaging 63.03% Pb, 6% Zn and 317 oz/t Ag. The second concentrate averaged 61.9% Zn and 7.2% Pb. Please note that these results are historic and cannot be verified.

The area is underlain by tertiary volcanics belonging to the prospective Calipuy formation. Company geologists verified the potential of the area by mapping and sampling the workings and stockpiles left by the previous operators. Ten samples were taken from old stockpiles in four different areas with values ranging from 0.06 to 1.24 g Au/t, 0.71 to 47.82 oz/t Ag, 0.34 to 9.25% Pb and 0.13 to 4.93% Zn averaging 0.49 g Au/t, 12.93 oz Ag/t, 2.62% Pb and 1.68 % Zn. It is important to note and highly likely that much of the high grade extracted from the underground workings and stockpiled have been shipped to toll mills for processing.

The Company was able to collect one bulk sample from the remaining surface material with a head grade assaying 4.83 oz Ag/mt, 0.25 grams Au/mt and 1.62% Pb. The Company performed preliminary metallurgical work on this lower grade material and returned acceptable recoveries of 85.50% for silver, 84.37% lead and 46.33% for gold. This produced a concentrate assaying 150.34 oz Ag/mt, 42.12% Lead and 2.59 g Au/mt. While higher grade material would improve the recoveries and grade of the concentrate, the Company is pleased to note that even with lower grade silver material, a commercially viable metal concentrate can be produced.

Initial discussions with the local community have been positive and the Company is continuing discussions to start detailed mapping and sampling. Included in this work will be additional samples for metallurgical tests and to determine the condition of the underground adits for permitting purposes.

Panteria Porphyry Gold - Copper Project

The Panteria Porphyry Copper prospect ("Panteria Project") located approximately 210 kilometres southeast of the city of Lima, in the Department of Huancavelica, in south-central Peru is believed to be situated in the northern extension of Southern Coastal Porphyry Belt. Peruvian Metals owns a 1% net smelter return royalty ("NSR") on the project. The owner of the project will have a right of first refusal in

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

the event that Peruvian Metals receives a third party offer for the NSR to purchase the NSR on the same terms and conditions as such third-party offer.

Quality Assurance and Quality Control

All sample lots were delivered to their respective laboratory by Company geologists where the laboratory crushed, pulverized, and split the sample for assay. No quality control material was submitted with the samples. Minas Yanayco samples were analysed by Inspectorate Services SAC for gold by fire assay with atomic absorption finish and with 44 element aqua regia digestion ICP emission spectroscopy. Samples containing more than 10 g Au/t were re-assayed using fire-assay with gravimetric finish. Re-analysis of the over-limit samples using fire-assay with gravimetric finish duplicated the previous results. No quality control material was employed in the sampling. All samples were also submitted for gold analysis by fire assay with ICP emission spectroscopy and achieved similar results to gold by fire assay with atomic absorption finish.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Financing

The Company issued a total of 3,400,000 common shares for warrant exercises at an exercise price of \$0.05 per warrant. Total proceeds of \$120,375 were received, while \$39,875 was applied against balances owing to the warrant exercisers.

The Company issued a total of 1,607,143 common shares for warrant exercises at an exercise price of \$0.10 per warrant. Total proceeds of \$151,964 were received, while \$8,750 was applied against balances owing to the warrant exercisers.

The Company issued a total of 10,000,000 common shares via a non-brokered private placement at a price of \$0.10 per Unit. Each Unit included one common share and one-half share-purchase warrant ("Warrant"). Each Warrant is exercisable to acquire one additional common share for two years at a price of \$0.15 per Warrant, the warrants were allocated a residual value of \$nil. Agents received 396,900 agent warrants with a fair value of \$55,177, each exercisable to acquire one additional common share for two years at a price of \$0.15 per warrant.

The Company issued a total of 6,000,000 common shares via a non-brokered private placement at a price of \$0.15 per Unit. Each Unit included one common share and one-half share-purchase warrant ("Warrant"). Each Warrant is exercisable to acquire one additional common share for two years at a price of \$0.20 per Warrant, the warrants were allocated a residual value of \$nil. Agents received 162,659 agent warrants with a fair value of \$27,167, each exercisable to acquire one additional common share for two years at a price of \$0.20 per warrant.

Warrants

As at March 31, 2026 there were 8,917,059 warrants outstanding.

Selected Annual Information

The following table summarizes selected financial data for the Company for the year ended March 31, 2026, and the year ended March 31, 2025, and the fifteen month period ended March 31, 2024. The information set forth below should be read in conjunction with the March 31, 2026 audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS"), and their related notes.

	<i>Years Ended</i>		
	<i>March 31, 2026 \$</i>	<i>March 31, 2025 \$</i>	<i>March 31, 2024 \$</i>
<i>Revenues</i>	3,061,890	3,097,781	2,980,937
<i>Income (loss) attributable to shareholders</i>	991,125	(563,791)	(225,955)
<i>Income (loss) per share</i>	0.01	(0.005)	(0.002)
<i>Total assets</i>	4,961,352	1,984,416	1,830,883
<i>Working capital surplus (deficit)</i>	2,920,095	(304,403)	(10,621)
<i>Total long term liabilities</i>	260,307	247,774	238,430
<i>Cash dividends</i>	Nil	Nil	Nil

PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026

The following table sets out selected consolidated financial information for each of the eight most recently completed quarters:

Summary of Quarterly Results

<i>Quarter Ended</i>	Revenue \$	Net income (loss) attributable to shareholders \$	Earnings (loss) per share attributable to shareholders \$
<i>March 31, 2026</i>	754,342	(1,069,143)	(0.01)
<i>December 31, 2025</i>	713,119	1,868,966	0.01
<i>September 30, 2025</i>	785,735	209,654	0.00
<i>June 30, 2025</i>	808,694	117,468	0.00
<i>March 31, 2025</i>	792,045	(46,329)	(0.00)
<i>December 31, 2024</i>	769,766	(6,430)	(0.00)
<i>September 30, 2024</i>	833,212	(231,275)	(0.00)
<i>June 30, 2024</i>	702,758	(279,757)	(0.00)

Results of Operations

	Three months ended		Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	\$	\$	\$	\$
Mineral processing revenue	754,342	792,045	3,061,890	3,097,781
Plant operating cost	(777,759)	(497,779)	(2,182,485)	(1,915,724)
Income from processing plant operations	(23,417)	294,266	879,405	1,182,057
Expenses				
General and administrative	585,475	148,906	1,016,322	623,532
Exploration and evaluation expenditures	62,971	84,427	321,823	711,270
Total expenses	648,446	233,333	1,338,145	1,334,802
Income (loss) before the following:	(671,863)	60,933	(458,740)	(152,745)
Interest income	6,945	60	8,230	1,135
Accretion expense	(3,307)	(2,948)	(12,533)	(11,792)
Depreciation	6,560	(5,715)	(10,770)	(23,754)
Realized loss on sale of investment	-	-	-	(1,656)
Unrealized gain (loss) on investment	(279,999)	-	(679,999)	-
Foreign currency translation gain (loss)	(61,568)	173,036	(17,445)	209,121
Share of loss of San Maurizio Mines Inc.	(41,960)	(112,141)	(143,950)	(112,141)
Gain on sale of subsidiary	-	-	2,709,504	-
Net income (loss) before taxes	(1,045,192)	113,225	1,394,297	(91,832)
Current income tax expense	(1,380)	(165,926)	(191,381)	(165,926)
Net income (loss)	(1,046,572)	(52,701)	1,202,916	(257,758)

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Three Months ended March 31, 2026

During the three months ended March 31, 2026, the Company had a net loss before non-controlling interest of \$1,046,572 (2025 – 52,701). The Company incurred plant operating expenses during the period of \$777,759 (2025 - \$497,779) relating to the operation of the Aguila Norte mineral processing plant in northern Peru and pertain primarily to costs associated with securing, analysing and processing mineral at Aguila Norte, as well as security and general administrative expenses (see table below). General and administrative expenses of \$585,475 (2025 - \$148,906) primarily pertained to the Company's head office and company administration costs focused in Canada (see table below). Exploration and evaluation expenses for the period of \$62,971 (2025 - \$84,427) related to the Company's exploration properties.

Other income and expenses were primarily driven by the \$279,999 (2025 - \$Nil) unrealized loss on investments.

Twelve months ended March 31, 2026

During the twelve months ended March 31, 2026, the Company had a net income before non-controlling interest of \$1,202,916 (2025 – net loss of \$257,758). The Company incurred plant operating expenses during the period of \$2,182,485 (2025 - \$1,915,724) relating to the operation of the Aguila Norte mineral processing plant in northern Peru and pertain primarily to costs associated with securing, analysing and processing mineral at Aguila Norte, as well as security and general administrative expenses (see table below). General and administrative expenses of \$1,016,322 (2025 - \$629,532) primarily pertained to the Company's head office and company administration costs focused in Canada (see table below). Exploration and evaluation expenses for the period of \$321,823 (2025 – \$711,270) related to the Company's exploration properties.

Other income and expenses were primarily driven by the \$2,709,504 (2025 - \$Nil) gain related to the sale of the Company's Mamaniña Exploraciones subsidiary.

Plant operating expenses

A summary of plant operating expenses for the three months and year ended March 31, 2026 and 2025 is as follows:

	Three months ended		Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	\$	\$	\$	\$
Processing costs	257,983	272,109	927,854	1,040,873
Salaries and management fees	159,256	136,614	635,704	541,180
Depreciation	222,773	31,336	318,227	133,487
Office and general	106,155	25,666	188,530	55,015
Vehicles and equipment rentals	19,889	17,935	61,462	89,845
Security	8,381	7,153	34,751	33,032
Professional fees	3,322	6,966	15,957	22,292
	777,759	497,779	2,182,485	1,915,724

PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026

General and Administrative Expenses

A summary of general and administrative expenditures for the three months and year ended March 31, 2026 and 2025 is as follows:

	Three months ended		Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	\$	\$	\$	\$
Management and consulting fees	138,440	46,860	383,499	233,152
Share-based compensation	238,560	-	238,560	-
Professional fees	75,020	39,910	120,033	139,977
Shareholder relations and filing fees	57,667	33,338	109,440	124,374
Accounting and administration	49,369	7,973	70,663	50,470
Travel	30,183	11,517	69,293	42,611
Insurance	3,913	3,643	14,963	15,237
Rent	(9,555)	5,250	6,195	21,000
Telephone and communication	774	415	2,572	2,711
Interest and bank charges	1,104	-	1,104	-
	585,475	148,906	1,016,322	629,532

Exploration and Evaluation Expenditures

A summary of exploration expenditures for the three months and year ended March 31, 2026 and 2025 is as follows:

	Three months ended		Year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	\$	\$	\$	\$
Project management	39,548	34,289	138,800	132,403
Fieldwork and administration	30,677	45,366	175,422	165,592
Concession payments, acquisitions & (recoveries)	(7,936)	4,668	4,815	405,238
Consultants	676	79	1,947	5,642
Geological and laboratory	6	25	839	2,395
	62,971	84,427	321,823	711,270

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Liquidity and Capital Resources

The Company's liquid assets at March 31, 2026 were valued at \$3,047,692 (2025 - \$176,936), consisting of cash balances of \$1,253,443 (2025 - \$79,099), investments of \$1,720,000 (2025 - \$Nil), amounts receivable of \$53,262 (2025 - \$74,881) and inventory of \$20,987 (2025 - \$22,956).

Net cash used by operating activities for the year ended March 31, 2026, was \$256,507 (2025 - \$104,317). The increase in net cash used was largely due to the Company paying down accounts payable.

Net cash used in investing activities for the year ended March 31, 2026 was \$333,951 (2025 - \$390,638). These cash outflows related to investments in San Maurizio and new property, plant and equipment purchases.

Net cash provided by financing activities was \$1,792,484 for the year ended March 31, 2026 (2025 - \$472,347). Financing cash inflows related to proceeds received from private placements and the exercise of warrants. The financing cash outflows pertained to dividends paid to the non-controlling interest of Madosac and Insumos.

As a junior exploration stage company, Peruvian Metals has traditionally relied on equity financings and warrant exercises to fund exploration programs and cover the general working capital requirements of a publicly traded junior resource company. As at March 31, 2026, the Company had a working capital surplus of \$2,920,095 (2025 - deficit of \$304,403).

The Company's ability to raise additional funds and its future performance are largely tied to the health of the financial markets and investor interest in the junior resource sector. Financial markets are currently volatile, and are likely to remain so during 2026, reflecting ongoing concerns about the stability of the global economy, sovereign debt levels, global growth prospects and many other factors that might impact the Company's ability to raise additional funds.

Off Balance Sheet Arrangements

The Company does not utilize off-balance sheet arrangements.

Transactions with Related Parties

Related parties include the Board of Directors, officers, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions.

The remuneration of key management personnel and directors of the Company for the years ended March 31, 2026 and 2025 were as follows:

	Year ended	
	March 31, 2026	March 31, 2025
	\$	\$
Aggregate compensation	477,499	324,000
	477,499	324,000

During the year ended March 31, 2026, \$198,828 (2025 - \$181,360) in dividends were issued to the party holding the remaining 20% non-controlling interest in Madosac and Insumos.

As at March 31, 2026, a balance of \$Nil (2025 - \$54,227) was due to certain officers and directors of the Company relating to unpaid compensation. Amounts payable are unsecured, non-interest bearing and due on demand.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Critical Accounting Estimates

The preparation of these consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- **Estimated useful lives, assets' carrying values and impairment charges**
Amortization of property, plant and equipment is dependent upon estimates of useful lives based on management's judgment. In the determination of carrying values and impairment charges, management looks at the higher of recoverable amount or fair value less costs to sell in the case of assets and at objective evidence, significant or prolonged decline of fair value on financial assets indicating impairment.

These determinations and their individual assumptions require that management make a decision based on the best available information at each reporting period.

- **Estimation of decommissioning and restoration costs and the timing of expenditure**
Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.
- **Income, value added, withholding and other taxes**
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations.

The Company's interpretation of taxation law as applied to transaction and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

- **Share-based payments**
Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

- **Determination of functional currency**
Functional currency is determined annually for each entity based on a set of primary and secondary factors that include; the currency that influences sales prices for goods and services; the currency of the country that determines the sales prices of goods and services; the currency that mainly influences the costs of providing goods and services; the currency in which funds from financing activities are generated; the currency in which receipts from operating activities are usually retained. When the factors do not provide clear indicators, management judgement must be applied in the determination of functional currency.
- **Inventory**
Management applies estimate to the provisions recorded to reduce the carrying amount of inventory to net realizable value to reflect changes in grades, quantity or other economic factors and to reflect current intentions for the use of redundant or slow-moving items.
- **Expected credit losses**
Management must exercise judgment to estimate the expected credit losses related to various financial assets. The evaluation of the expected credit losses is established considering the specific credit risk to its counterparties, historical trends and economic conditions.
- **Going concern**
The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures, meet its liabilities for the ensuing year, and to fund planned projects, acquisitions, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

With respect to valuation, the financial information of private companies in which the Company has an investment may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. In addition to the events described below, which may affect a specific investment, the Company will take into account general market conditions when valuing the privately held investment in its portfolio. In the absence of occurrence of any of these events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

An upward adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable. Such events include, without limitation:

- political changes in a country in which the investee company operates that, for example, reduce the corporate tax burden, permit mining where, or to an extent that, it was not previously allowed, or reduce or eliminate the need for permitting or approvals;
- receipt by the investee company of environmental, mining, or similar approvals, which allow the investee company to proceed with its project(s);
- filing by the investee company of a National Instrument 43-101 technical report in respect of a previously noncompliant resource;
- the investee company has positive operating results at its processing plant;
- release by the investee company of positive exploration results, which either proves or expands their resource prospects; and

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

- important positive management changes by the investee company that the Company's management believes will have a very positive impact on the investee company's ability to achieve its objectives and build value for shareholders.

Downward adjustments to carrying values are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable. Such events include, without limitation:

- political changes in a country in which the investee company operates that increases the tax burden on companies, that prohibit mining where it was previously allowed, that increases the need for permitting or approvals, etc.;
 - denial of the investee company's application for environmental, mining, aboriginal or similar approvals that prohibit the investee company from proceeding with its projects;
 - the investee company releases negative exploration results;
 - changes to the management of the investee company take place that the Company believes will have a negative impact on the investee company's ability to achieve its objectives and build value for shareholders;
 - the investee company has negative operating results at its processing plant;
 - the investee company is placed into receivership or bankruptcy; and
- based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern.

The resulting values may differ from values that would be realized had a ready market existed. The amounts at which the Company's privately held investments could be disposed of may differ from the carrying value assigned. Such differences could be material.

Changes in Accounting Policies

The significant accounting policies are outlined in the consolidated financial statements for the twelve months ended March 31, 2026 and 2025, unless otherwise disclosed.

Financial Risk Factors

The Company may be exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management process are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. There have been no changes in the risks, objectives, policies and procedures from the previous period.

a) Credit risk management

Credit risk relating to cash and accounts receivable arises from the possibility that any counterparty to an instrument fails to perform. The Company does not feel there is significant counterparty risk that could have an impact on the fair value of cash and cash equivalents and receivables.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

b) Liquidity risk

The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis and its capital, development and exploration expenditures. The Company ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Cash includes cash on hand and balances with banks. The deposits are held in a Canadian chartered bank or a financial institution controlled by a Canadian chartered bank.

As of March 31, 2026, the Company had a cash balance of \$1,253,443 (March 31, 2025 - \$79,099) to settle current liabilities of \$250,564 (March 31, 2025 - \$534,655). The Company's other current assets consist of amounts receivable of \$53,262 (March 31, 2025 - \$74,881) sales tax receivable of \$100,337 (March 31, 2025 - \$10,932) and an investment of \$1,720,000 (March 31, 2025 - \$Nil).

c) Market risk

At the present time, the Company does not hold any interest in a mining property that is in production. The Company's viability and potential success depends on its ability to develop, exploit, and generate revenue from the development of mineral deposits and mineral processing plants. Revenue, cash flow, and profits from any future mining operations and mineral processing plants in which the Company is involved will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices can fluctuate widely and are affected by numerous factors beyond the Company's control.

d) Foreign exchange risk

Foreign exchange risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations affect the costs that the Company incurs in its operations.

Some of the Company's financial instruments and transactions are denominated in currencies other than its functional currencies. The fluctuation in foreign currencies will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity. At March 31, 2026, the Company held net financial assets of approximately \$329,000 denominated in currencies other than functional currencies. A 10% change in the foreign exchange rate would result in a change in the net income for the period of approximately \$30,000.

e) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Company's cash and cash equivalents balances earn interest at fixed rates over the next three to twelve months. It is management's opinion that the Company is not exposed to significant interest rate risk.

f) Fair value of financial assets and liabilities

The carrying values of the cash, amounts receivable, investments, accounts payable and accrued liabilities, and due to related parties approximate their respective fair values due to the short-term nature of these instruments.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

g) Capital risk management

The Company defines capital as shareholders' equity which at March 31, 2026 was \$4,450,481 (March 31, 2025 - \$1,201,987). The Company manages its capital structure and makes adjustments to it, in order to have the funds available to support its exploration, development and operation activities.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to fund operations at the Aguila Norte Plant, pursue the exploration of its mineral properties, and maximize shareholder returns. The Company satisfies its capital requirements through careful management of its cash resources and by utilizing bank indebtedness or equity issues, as necessary, based on the prevalent economic conditions of both the industry and the capital markets and the underlying risk characteristics of the related assets. As at March 31, 2026 and March 31, 2025, the Company had no bank debt.

Management reviews its capital management approach on an ongoing basis. There were no significant changes in the Company's approach to capital management during the year ended March 31, 2026 and the year ended March 31, 2025. The Company and its subsidiaries are not subject to externally imposed capital requirements other than Policy 2.5 of the TSXVE, which requires adequate working capital or financial resources to maintain operations and cover general and administrative expenses for a period of 6 months. As of March 31, 2026, there is no indication that the Company is not compliant with Policy 2.5 of the TSXVE.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Other MD&A Requirements

Common shares outstanding:

	#
Balance, March 31, 2026	147,178,950
Units issued for options exercise	400,000
Units issued for warrants exercise	382,875
Balance, July 31, 2026	147,961,825

Warrants outstanding:

	#
Balance, March 31, 2026	8,917,059
Exercised	(382,875)
Balance, July 31, 2026	8,534,184

Stock Options Outstanding:

	#
Balance, March 31, 2026	4,450,000
Granted	3,300,000
Exercised	(400,000)
Balance, July 31, 2026	7,350,000

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Disclosure of Internal Controls

Management has established processes which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements; and (ii) the consolidated financial statements fairly present all material respects the financial condition, results of the operations and cash flows of the Company, as of the date of and for the periods presented by the consolidated financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings (NI 52-109), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Only investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment should undertake such investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position.

At the present time, the Company does not hold any interest in a mining property in production. The Company's viability and potential successes lie in its ability to develop, exploit and generate revenue out of mineral deposits, and/or its ability to successfully construct and operate its proposed mineral processing plant. Revenues, profitability and cash flow from any future mining operations and/or mineral processing activities involving the Company will be influenced by precious and/or base metal prices and by the relationship of such prices to production costs. Such prices have fluctuated widely and are affected by numerous factors beyond the Company's control.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

The Company has limited financial resources and there is no assurance that additional funding will be available to it for further exploration and development of its exploration projects, and/or further development of its mineral processing plant, or to fulfill its obligations under applicable agreements. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, 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 favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the property interests of the Company and/or further development and expansion of its mineral processing plant, with the possible dilution or loss of such interests.

Resource exploration and development, and mineral processing 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 from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations of metal prices, the proximity and capacity of milling facilities, mineral markets, processing reagents and equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environment protection, the combination of which factors may result in the Company not receiving an adequate return on investment capital.

Operating in a Foreign Country Usually Involves Uncertainties Relating to Political and Economic Matters Peru, where the Company's principle foreign mineral properties are located is considered by the Company to be a mining friendly country. However, any change of government may result in changes to government legislation and policy, which may include changes that impact the Company's ownership of and its ability to continue exploration and, possibly, the development of its properties. Further, changes in the government may result in political and economic uncertainty, which may cause the Company to delay its exploration and, possibly, its development activities or they may decrease the willingness of investors to provide financing to the Company. Accordingly, changes in legislation and policy could result in increased costs to explore and develop the Company's projects and could require the Company to delay or suspend these activities.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Exploration and Development Efforts May Not Be Successful

There is no certainty that the expenditures to be made by the Company in the exploration of its properties as described herein will result in the discovery of mineralized material in commercial quantities. Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of ore reserves will in fact be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of reserves, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grade of ore ultimately mined may differ from that indicated by drilling results. Short term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on mining operations and on the results of operations. There can be no assurance that minerals recovered in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. Material changes in ore reserves, grades, stripping ratios or recovery rates may affect the economic viability of any project.

Lack of Cash Flow

None of the Company's properties have advanced to the commercial production stage and the Company has no history of earnings or cash flow from operations. The Company does not expect to generate material revenue from mining operations or to achieve self-sustaining commercial mining operations for several years. The Company has paid no dividends on its shares since inception and does not anticipate doing so in the foreseeable future. Historically, the only source of funds available to the Company is through the sale of its securities or exploration properties. Future additional equity financing would cause dilution to current shareholders.

No Proven Reserves

The properties in which the Company has an interest or the right to earn an interest are in the exploratory stage only and are without a known body of ore in commercial production.

No Guarantee of Clear Title to Mineral Properties

While the Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties and properties in which it has the right to acquire or earn an interest are in good standing, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Uncertainty of Obtaining Additional Funding Requirements

Programs planned by the Company may necessitate additional funding, which could cause a dilution of the value of the investment of the shareholders of the Company. The recuperation value of mining properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Company's capacity to obtain additional funds in order to realize these programs. The Company's exploration activities can therefore be interrupted at any moment if the Company is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary and that are not described in the exploration programs outlined in the Company's geological report for its properties.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Mineral Prices May Not Support Corporate Profit

The mining industry in general is intensely competitive and there is no assurance that, even if commercial quantities of mineral resources are developed, a profitable market will exist for the sale of same. Factors beyond the control of the Company may affect the marketability of any substances discovered. The price of minerals is volatile over short periods of time, and is affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining techniques.

Supply and Quality of Mineral Feed

The Company's mineral processing operations will involve the purchase of mineral feed from local producers which is then converted in the mineral processing plant. The revenues of the Company will depend on the availability of mineral supply from the local producers. As the Company does not produce its own mineral supply, it does not have entire control over the grade of mineral supplied by local producers. Therefore, this can have an impact over the volume of production from the mineral processing plant and metal sales.

Competition

The mining industry is intensively competitive in all its phases. The Company competes with many companies possessing greater financial resources and technical facilities than itself for the acquisition of mineral interests as well as for the recruitment and retention of qualified employees.

Environmental Regulations

The current and future operations of the Company, including further exploration, development activities and commencement of production on its properties, require permits from various Provincial, Federal and State governmental authorities. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances mine safety and other matters. There can be no assurance, however, that all permits which the Company may require for construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties. Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violation of applicable laws or regulations.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Uncertainty of Reserves and Mineralization Estimates

There are numerous uncertainties inherent in estimating proven and probable reserves and mineralization, including many factors beyond the control of the Company. The estimation of reserves and mineralization is a subjective process and the accuracy of any such estimates is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may justify revision of such estimates. No assurances can be given that the volume and grade of reserves recovered and rates of production will not be less than anticipated. Assumptions about prices are subject to greater uncertainty and metal prices have fluctuated widely in the past. Declines in the market price of base or precious metals also may render reserves or mineralization containing relatively lower grades of ore uneconomic to exploit. Changes in operating and capital costs and other factors including, but not limited to, short-term operating factors such as the need for sequential development of ore bodies and the processing of new or different ore grades, may materially and adversely affect reserves.

Operating Hazards and Risks Associated with the Mining Industry

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. 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 precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company may become subject to liability for cave-ins and other hazards for which it cannot insure or against which it may elect not to insure where premium costs are disproportionate to the Company's perception of the relevant risks. The payment of such insurance premiums and of such liabilities would reduce the funds available for exploration activities.

The Ability to Manage Growth

Should the Company be successful in its efforts to develop its mineral properties and/or mineral processing operations or to raise capital for other mining ventures it will experience significant growth in operations. If this occurs management anticipated that additional expansion will be required in order to continue development. Any expansion of the Company's business would place further demands on its management, operational capacity and financial resources. The failure to manage growth effectively could have a material adverse effect on the Company's business, financial condition and results of operations.

Lack of Dividend Policy

The Company does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Company will remain subject to the discretion of the Company's Board of Directors and will depend on results of operations, cash requirements and future prospects of the Company and other factors.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the accomplishment of business negotiations by the issuance of cash, securities of the Company, or a combination of the two, and possibly, incurring debt. Any transaction involving the issuance of previously authorized but unissued common shares, or securities convertible into common shares, would result in dilution, possibly substantial, to present and prospective holders of common shares.

**PERUVIAN METALS CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED MARCH 31, 2026**

Dependence of Key Personnel

The Company strongly depends on the business and technical expertise of its management and key personnel. There is little possibility that this dependence will decrease in the near term. As the Company's operations expand, additional general management resources will be required, especially since the Company encounters risks that are inherent in doing business in several countries.

Conflict of Interest

Certain directors of the Company are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such associations may give rise to conflicts of interest from time to time. The directors of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any interest which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board of Directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Lack of Trading

The lack of trading volume of the Company's shares reduces the liquidity of an investment in the Company's shares.

Volatility of Share Price

Market prices for shares of early-stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Company's shares.

Commitments

Lease agreements

The Company's subsidiary, Madosac, has annual office rental obligations of \$21,138 (US\$15,600) due during the year ending March 31, 2027.

Management compensation

The Company has agreed to pay management compensation of a minimum total in annual payments of \$180,000.

Environmental matters

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Legal Proceedings

The Company is, from time to time, involved in various claims and legal proceedings. The Company cannot reasonably predict the likelihood or outcome of these activities. The Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which may be required to be paid by reasons thereof, will have a material effect on the financial condition or future results of operations. As at the date of this report, the Company was not aware of any claims or legal proceedings against it and as a result no amounts have been accrued related to such matters.

Additional disclosure of the Company's technical reports, material change reports, news releases and other information can be obtained on SEDAR.