



INFINITUM COPPER

INFINITUM COPPER CORP.
(An Exploration Stage Company)

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS FOR THE SIX MONTHS ENDED JUNE 30, 2024

OVERVIEW AND INTRODUCTORY COMMENT

Infinitum Copper Corp. (“Infinitum” or the “Company”) is a growth-oriented junior exploration and development company listed on the TSX Venture Exchange under the trading symbol “INFI” and on the OTCQB under the trading symbol “INUMF”. The Company focuses on exploring for high-grade, district-scale copper deposits in Mexico and the USA.

Infinitum’s principal properties are the La Adelita project in Mexico and the optioned Hot Breccia project in Arizona, USA.

This MD&A is dated August 22, 2024 and discloses specified information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The following information should be read in conjunction with the unaudited condensed consolidated interim financial statements and the related notes for the six months ended June 30, 2024 and the Company’s audited consolidated financial statements for the year ended December 31, 2023 and the related notes thereto.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR+ at www.sedarplus.ca, and on the Company’s website at <https://infinitumcopper.com/>.

MAJOR QUARTERLY OPERATING MILESTONES

Exploration activities

(a) La Adelita Project (Mexico)

On July 29, 2024, the Company commenced to mobilize the equipment at the Project. These preliminary works will provide access to the Cerro Grande adit. Once the historic adit can be accessed a mining contractor will be engaged to drive a 100m long 3 metre x 3 metre access tunnel to the mineralised body. This access tunnel will intercept drill hole AD1010 drilled in 2022. AD022 encountered x% copper, 1 g/t Au over a true width of x metres.

(b) Hot Breccia (Mexico)

Pursuant to the Company granting an option to Prismo Metals in January 2023, Prismo has continued to advance the project completing a VTEM survey in July 2023. Drilling permits were received from the Bureau of Land Management for 10 drill pads.



QUARTERLY FINANCIAL CONDITION

Capital Resources

On April 18, 2024, the Company consolidated its common shares on the basis of two pre-consolidated common shares for one post-consolidated common share of the Company (the "Consolidation"). For the purpose of this MD&A, all references to the number of common shares, options, DSUs, RSUs, warrants, finder's warrants, share unit prices and exercise prices are restated to reflect this Consolidation.

On June 6, 2024, the Company completed a non-brokered private placement by issuing 11,250,000 units ("Unit") at a price of \$0.04 per Unit for gross proceeds of \$450,000 (the "Offering"). Each Unit is comprised of one post-Consolidation common share of the Company ("Common Share") and one common share purchase warrant ("Warrant"). Each Warrant entitles the holder to purchase one post-Consolidation common share of the Company ("Warrant Share") at an exercise price of \$0.06 per Warrant Share for a period of three years expiring on June 6, 2027.

On July 22, 2024, the Company granted 975,000 options under the Company's stock option plan to its directors, officers and consultants, with each option representing the right to receive one common share of the Company. The options are exercisable at a price of \$0.08 per share for a period of five years, vesting over 36 months with the first 1/3 vested on March 15, 2024 and then 1/3 every 12 months thereafter, and are subject to the policies of the Exchange and the Company's stock option plan. The Company also granted 1,500,000 DSUs and 90,000 RSUs to its directors, officers and consultants, vesting on March 15, 2026.

On July 19, 2024, 2,590,087 warrants and 92,750 finder's warrants expired unexercised.

On August 5, 2024, 259,389 warrants expired unexercised.

The Company is aware of the current conditions in the financial markets and has planned accordingly. The Company's current treasury and the future cash flows from warrants, finders' warrants and options, along with the planned developments within the Company are sufficient to carry out its activities throughout 2024. The Company would consider future equity financings if such financings are beneficial to the Company. If the market conditions change, the Company will make adjustment to its budgets accordingly.

Liquidity

As at June 30, 2024, the Company had a working capital deficiency of \$586,755 (December 31, 2023 – working capital deficiency of \$601,354). With respect to working capital, \$243,009 was held in cash and cash equivalents (December 31, 2023 – \$26,284). The decrease in cash was mainly due to (a) operating expenses including exploration expenses totaling \$229,266 and (b) VAT receivable of \$21,676; while being offset by (c) net proceeds from the sale of marketable securities of \$4,599 and (d) net proceeds from issuance of common shares of \$440,518.



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Operations

For the three months ended June 30, 2024 compared with the three months ended June 30, 2023:

During the quarter that ended June 30, 2024 compared to the prior year same period, the Company's exploration expenses decreased by \$295,601 (2024 - \$30,804; 2023 -: \$326,405) as the Company was planning the next phase of exploration program on the La Adelita project in 2024.

The general and administrative expenses decreased by \$249,649 (2024 - \$144,617; 2023 - \$394,266) as a result of decrease in consulting, investor relations and office and general expenses as the Company is preserving cash.

The non-cash share-based compensation ("SBC") fluctuates from period to period depending on the timing and fair value of stock options, DSUs and RSUs vested in each period. During the quarter ended June 30, 2024, there was an aggregate total of \$44,131 (2023 - \$120,973) deemed fair value assigned to DSUs, RSUs and options.

During the quarter ended June 30, 2024, the Company also incurred \$7,500 (2023 - \$Nil) on a settlement of a dispute.

The loss for the current quarter is \$227,331 (loss per share of \$0.01) compared to prior year same period of \$880,481 (loss per share of \$0.03).

For the six months ended June 30, 2024 compared with the six months ended June 30, 2023:

During the six months ended June 30, 2024 compared to the prior year same period, the Company's exploration expenses decreased by \$461,843 (2024 - \$74,043; 2023 -: \$535,886) as the Company was planning the next phase of exploration program on the La Adelita project in 2024.

The general and administrative expenses decreased by \$280,060 (2024 - \$344,898; 2023 - \$624,958) as a result of decrease in consulting, investor relations and office and general expenses as well as the Company is preserving cash.

During the six months ended June 30, 2024, there was an aggregate total of \$151,867 (2023 - \$270,408) deemed fair value assigned to DSUs, RSUs and options.

During the six months ended June 30, 2024, the Company sold 34,700 Prismo shares and recognized a loss on sale of marketable securities of \$433 (2023 - \$Nil).

The loss for the current period is \$578,997 (loss per share of \$0.01) compared to prior year same period of \$1,462,587 (loss per share of \$0.04).



SIGNIFICANT RELATED PARTY TRANSACTIONS

During the quarter, there was no significant transaction between related parties other than the normal course of business and noted otherwise in other sections.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

Other than disclosed elsewhere in this MD&A – Quarterly Highlights, the Company does not have any commitments, expected or unexpected, or uncertainties.

RISK FACTORS

In our MD&A filed on SEDAR+ on April 29, 2024 in connection with our annual financial statements (the “Annual MD&A”), we have set out our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any one risk factor or any combination of risk factors could result in material adverse outcomes to the Company’s undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed. To the date of this document, there have been no significant changes to the risk factors set out in our Annual MD&A.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company’s outstanding share data as at June 30, 2024:

	Issued and outstanding	
	June 30, 2024	August 22, 2024
Common shares outstanding	48,531,508	48,531,508
Options	1,745,834	2,720,834
Deferred share unit (DSUs)	-	1,500,000
Restricted share unit (RSUs)	600,000	690,000
Warrants	26,324,072	23,474,596
Finder's warrants	703,191	610,441
Fully diluted common shares outstanding	77,904,605	77,527,379

QUALIFIED PERSON

Steve Robertson, a director of the Company, has acted as the Qualified Person as defined in National Instrument 43-101 for this disclosure and supervised the preparation of the technical information in this release. Mr. Robertson has a B.Sc. in Geology and more than 30 years of relevant experience exploring the North American Cordillera. He is a Registered Professional Geoscientist with the Association of Professional Engineers and Geoscientists of British Columbia.



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Cautionary Statements

This document contains “forward-looking statements” within the meaning of applicable Canadian securities regulations. All statements other than statements of historical fact herein, including, without limitation, statements regarding exploration results and plans, and our other future plans and objectives, are forward-looking statements that involve various risks and uncertainties. Such forward-looking statements include, without limitation, our estimates of exploration investment, the scope of our exploration programs, and our expectations of ongoing administrative costs. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from our expectations are disclosed in the Company’s documents filed from time to time via SEDAR+ with the Canadian regulatory agencies to whose policies we are bound. Forward-looking statements are based on the estimates and opinions of management on the date the statements are made, and we do not undertake any obligation to update forward-looking statements should conditions or our estimates or opinions change, except as required by law. Forward-looking statements are subject to risks, uncertainties and other factors, including risks associated with mineral exploration, price volatility in the mineral commodities we seek, and operational and political risks. Readers are cautioned not to place undue reliance on forward-looking statements.