Copper Standard Resources Inc. (formerly Level 14 Ventures Ltd.)

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

1) Introduction

This Management Discussion and Analysis ("MD&A") of Copper Standard Resources Inc. ("Copper Standard" or the "Company") has been prepared by management as of April 17, 2024 and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2023 and related notes thereto (the "Financial Statements"). Unless otherwise specified, all financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All dollar amounts herein are expressed in Canadian dollars (the presentation and functional currency of the Company's financial statements) unless otherwise stated.

This MD&A contains forward-looking statements and should be read in conjunction with the risk factors described under "Other Risks to Copper Standard" and "Forward Looking Statements" towards the end of this MD&A.

2) Corporate Profile and Overall Performance

General

Copper Standard is an exploration-stage mining company with a focus on copper and gold in the Americas. The Company has an option to acquire 100% of the Colpayoc project in Northern Peru, which is comprised of 3 concessions totaling approximately 1,580 hectares (the "Colpayoc Property"). The Colpayoc Property has a fully permitted drill program and is located in Cajamarca, just outside the world class Yanacocha gold district.

Copper Standard was incorporated under the British Columbia *Business Corporations Act* on November 7, 2018. Copper Standard has one wholly owned subsidiary, Bridle Capital Ltd ("Bridle"), which is consolidated with the Company in the Financial Statements. The Company is publicly traded and listed on the Canadian Securities Exchange (the "CSE") under the symbol "CSR". The Company has two option agreements, through its subsidiary Bridle: (1) to acquire the shares of Colpayoc SAC ("Colpayoc") which holds the Jose IV and Jose V concessions of the Colpayoc Property; and (2) to acquire El Ferrol concession of the Colpayoc Property.

Developments and Performance

In April 2024, the Company began drilling at its flagship Colpayoc Property, which consists of starting Phase I of a two-phase drill program. Phase I is expected to include approximately 16,400 feet (5,000 meters) of drilling over 18 drill holes to test the potential large copper/gold porphyry and expand the existing resource. The Company anticipates completion of the Phase I drill program by mid-2024. Phase II to be based upon Phase I results.

On January 19, 2024, Company closed the second and final tranche of a non-brokered private placement. Under the final tranche, the Company issued 3,388,877 units ("Units") at a price of $0.45 per Unit for gross proceeds of $1,524,995. On December 22, 2023, the Company closed the first tranche of the private placement, which consisted of issuing 7,766,087 Units for gross proceeds of $3,494,740 (see "5. Liquidity and Capital Resources"). Each Unit is comprised of one common share and one common share purchase warrant with each warrant entitling the holder thereof to purchase one additional share at an exercise price of $0.90 per share for a period of five years following the issuance of the Units.

December 22, 2023, Company changed its name from "Level 14 Ventures Ltd." to "Copper Standard Resources Inc.", changed its stock ticker symbol on the CSE from "LVL" to "CSR", and consolidated its issued and outstanding common shares on the basis of one post-consolidation share for every three preconsolidation shares. Unless otherwise noted, all common share, stock option and warrant numbers in this MD&A are presented post consolidation.

On June 7, 2023, the Company and its two formerly wholly owned subsidiaries, Green Mountain Resources Ltd. ("GMR"), which owns the Green Mountain Property located in the Province of British Columbia, and Kobe Resources Ltd. ("Kobe"), entered into an arrangement agreement with respect to a plan of arrangement (the "Arrangement") to give effect to the spin-off of GMR and Kobe. Under the terms of the Arrangement, the shareholders of the Company each received 1/10th of a share in GMR and 1/10th of a share in Kobe for each share they own in the Company. The Arrangement was approved by the shareholders of the Company on June 27, 2023, and the subsidiaries were spun out as their separate respective entities on July 5, 2023.

On June 27, 2023, as a result of the Company no longer having any planned or budgeted expenditures for further exploration on the Green Mountain Property, the Company performed an impairment test on the Green Mountain Property. Further to the impairment test, management of the Company determined that a full impairment of the Green Mountain Property was appropriate. As such an impairment expense of $229,657 was recorded during the nine months ended September 30, 2023.

On April 27, 2022, the Company completed the acquisition of all outstanding shares of Bridle, a private company controlled by a related party in consideration for 36,000,000 (12,000,000 post-consolidation) shares of the Company, USD$624,431 and a 1% NSR on the property (the "Acquisition"). As noted above, Bridle holds an option to acquire a 100% interest in the Colpayoc Property.

As described in further detail in the Company's Information Circular dated December 20, 2021, further to the Acquisition, Copper Standard has now assumed Bridle's right to earn up to a 100% interest in the Colpayoc Property (see "5. Liquidity and Capital Resources").

Concurrent with the Acquisition, the Company completed a non-brokered private placement financing of 16,435,000 (5,478,333 post-consolidation) common shares at $0.20 per share ($0.60 per share post-consolidation) for gross proceeds of $3,287,000. The Company paid finder's fees of $49,500 and legal fees of $9,919 in connection with the financing.

The head office, principal address and registered office of the Company are located at Suite 3200, 733 Seymour Street, Vancouver, British Columbia, V6B 0S6.

3) Summary of Annual Data and Quarterly Results

The following table is a summary of the Company's financial results and position for the last three completed years:

In Canadian Dollars	**Year ended December 31, 2023 ($)**	**Year ended December 31, 2022 ($)**	**Year ended December 31, 2021 ($)**
Revenue	-	-	-
Loss from operations	1,284,298	672,000	272,523
Net Loss	1,284,298	672,000	272,523
Total Assets	14,077,690	11,477,405	1,414,524
Total non-current liabilities	-	-	-

The presentation currency of the Company has been the Canadian dollar in every year presented and financial statements have been prepared in accordance with IFRS.

The following table is a summary of the Company's financial results and position for the 8 most recently completed quarters:

	Three months ended							
In Canadian dollars unless otherwise stated	**31-Dec-23**	**30-Sep-23**	**30-Jun-23**	**31-Mar-23**	**31-Dec-22**	**30-Sep-22**	**30-Jun-22**	**31-Mar-22**
Net loss	416,170	130,381	438,944	298,803	379,379	47,894	176,496	68,231
Basic loss per share	0.01	0.00	0.02	0.01	0.01	0.00	0.01	0.01
Diluted loss per share	0.01	0.00	0.02	0.01	0.01	0.00	0.01	0.01
Weighted average shares (basic and diluted)	31,397,495	30,505,167	30,505,167	30,505,167	30,505,167	30,505,167	19,676,200	13,026,834
Total assets	14,077,690	10,702,768	10,900,010	11,283,610	11,477,405	11,616,179	11,637,214	1,352,178
Long-term liabilities	-	-	-	-	-	-	-	-

The Company had been preserving cash while searching for a suitable mining transaction for the business; the Company purchased Bridle on April 27, 2022 (see "2. Corporate Profile and Overall Performance") concurrently with a financing. The total assets balance primarily consists of the Colpayoc Property acquired and the Company's cash balance. The Company has incurred some general and administrative expenses during the periods shown, resulting in a small net loss in each period and a commensurate reduction in the total assets of the Company. The loss per share has remained reasonably consistent throughout the periods shown. The increase in loss in Q4 2022 and Q1 2023 was primarily due to stock option expense relating to the issuance in September 2022. In Q2 2023, the Company impaired 100% of its BC exploration asset, the Green Mountain Property, being a charge of $229,657 to the Statement of Loss and Comprehensive Loss, which resulted in an increase in the loss for the period and a reduction in total assets. In Q4 2023, the Company completed a financing resulting in an increase in total assets and the weighted average shares outstanding (see "5. Liquidity and Capital Resources"). Also in Q4 2023, there was an increase in loss due to a larger than usual unrealized foreign exchange loss resulting from volatile currency fluctuation in the quarter.

4) Results of Operations

Three months ended December 31, 2023 compared to the three months ended December 31, 2022

As at December 31, 2023, the Company is an exploration mining company and has no sources of revenue. Accordingly, the Company has not recorded any revenues, and depends upon share issuances to fund its expenses.

The Company incurred a net loss of $416,170 in the three months ended December 31, 2023 as compared to $379,379 in the same period in the prior year. The table below details the changes in the expenditures for the three months ended December 31, 2023 as compared to the three months ended December 31, 2022:

Expense/Other income or loss	Change from prior year	Explanation for the change
Exploration expenditures	Increase of $15,528	The increase in the expense is a result of an extension on the El Ferrol mineral claims with the Peruvian ministry of mines.
General and administrative	Increase of $12,917	The increase in the expense is a result of additional administrative costs relating to the Company changing its name and spinning out its subsidiaries.
Insurance expense	No change	Materially consistent in both periods.
Listing and filing fees	Increase of $3,458	The increase in the expense is a result of additional filing fees relating to the Company's financing and name/address change.
Management fees	No change	Materially consistent in both periods.
Marketing fees	Increase of $840	Materially consistent in both periods.
Professional fees	Decrease of $23,967	The decrease in the expense is a result of an increased audit fee in the prior year resulting from additional complexity relating to the Bridle acquisition.
Salaries and wages	Increase of $7,000	The increase in the expense is attributed to additional fees paid as a result of increased hours worked during the period.
Foreign exchange loss	Increase of $135,564	The increase in foreign exchange loss is attributable to the effect of exchange rate fluctuations on the Company's foreign currency and operations.
Share-based compensation	Decrease of $114,549	The decrease in share-based compensation is a result of stock options granted on September 1, 2022, these options vest semi-annually and have a higher weighting earlier on in their vesting schedule as there are more unvested options outstanding which have an expense recorded in the period.

Cash flows

In the three months ended December 31, 2023, the Company’s cash balance increased by $3,150,885 (2022 – decreased by $268,586). This change is as a result of: incurring $326,587 (2022 – $189,258) in cash operating expenses, an inflow of $113,783 (2022 – $66,127) relating to timing differences with respect to non-cash working capital, an inflow of $3,494,740 relating to the issuance of 7,766,087 shares, an inflow of $70,000 resulting from the exercise of options and deferred acquisition costs of $201,051 (2022 - $145,455).

Year ended December 31, 2023 compared to year ended December 31, 2022

As at December 31, 2023, the Company is an exploration mining company and has no sources of revenue. Accordingly, the Company has not recorded any revenues, and depends upon share issuances to fund its expenses.

The Company incurred a net loss of $1,284,298 in the year ended December 31, 2023 as compared to $672,000 in the prior year. The table below details the changes in the expenditures for the year ended December 31, 2023 as compared to the year ended December 31, 2022:

Expense/Other income or loss	**Change from prior year**	**Explanation for the change**
Exploration expenditures	Increase of $30,210	The increase in the expense is a result of an extension on the El Ferrol mineral claims with the Peruvian ministry of mines.
General and administrative	Increase of $21,184	The increase in the expense is a result of additional administrative costs relating to the Company changing its name and spinning out its subsidiaries.
Insurance expense	No change	Materially consistent in both periods.
Listing and filing fees	Increase of $17,364	The increase in the expense is a result of additional filing fees relating to the Company's name change and December financing.
Management fees	No change	Materially consistent in both periods.
Marketing fees	Increase of $59,020	The increase is a result of marketing efforts for the Company including brand development and website/development maintenance.
Professional fees	Increase of $58,379	The increase in the expense is a result of increased accounting fees as well as additional professional fees related to the spinout of the Company's subsidiaries (see "2. Corporate Profile and Overall Performance").
Salaries and wages	Increase of $9,650	The increase in the expense is attributable to increased fees paid to the CFO as a result of additional hours worked on the spinouts and financing during the year.
Foreign exchange loss	Increase of $113,296	The increase in foreign exchange loss is attributable to the effect of exchange rate fluctuations on the Company's foreign currency and operations.
Share-based compensation	Increase of $161,025	The increase in share-based compensation is a result of stock options granted on December 1, 2023 and September 1, 2022, these options vest semi-annually and have a higher weighting earlier on in their vesting schedule as there are more unvested options. As there was only four months of the September issuance recognized in the prior year compared to a full year in the current year.
Impairment of exploration asset	Increase of $229,657	The increase is a result of the Company impairing its interest in the Green Mountain Property by 100%, the property was disposed of as a result of the Arrangement (see "2. Corporate Profile and Overall Performance").
Gain on spinouts	Increase of $87,487	The increase is a result of the spinout of the Company's subsidiaries (see "2. Corporate Profile and Overall Performance").

Cash flows

In the year ended December 31, 2023, the Company's cash balance increased by $1,749,495 (2022 – $915,820). This change is as a result of: incurring $731,697 (2022 – $340,043) in cash operating expenses, an inflow of $22,873 (2022 – outflow of $27,925) relating to timing differences with respect to non-cash working capital, an inflow of $3,494,740 relating to the issuance of 7,766,087 shares (2022 - $3,227,581 for 5,478,333 shares), an inflow of $70,000 resulting from the exercise of stock options, a cash disposition relating to the Arrangement of $69,051, and deferred acquisition costs of $1,037,370 (2022 – $819,182).

In addition, in the prior period, the Company paid Bridle's shareholder loan of $814,820, converted Bridle's cash advance of $383,268 to an intercompany loan, received $76,477 in the acquisition of Bridle Capital Ltd. and incurred $3,000 in transaction costs relating to Bridle.

5) Liquidity and Capital Resources

As at December 31, 2023, the Company had a cash balance of $3,413,738 (December 31, 2022 - $1,664,243) and a working capital surplus of $3,089,414 (December 31, 2022 – $1,593,473).

On January 19, 2024, the Company completed the second tranche of a non-brokered private placement financing and issued 3,388,877 units at $0.45 per unit (each unit consisting of one common share of the Company and one whole warrant), for proceeds of $1,524,995.

On December 22, 2023, the Company completed the first tranche of the non-brokered private placement financing and issued 7,766,087 units at $0.45 per unit (each unit consisting of one common share of the Company and one whole warrant), for proceeds of $3,494,740. Legal and other financing costs of $94,344 were incurred in connection with the financing.

On December 1, 2023, the Company issued 683,333 stock options with an exercise price of $0.48. All stock options issued are under a semi-annual vesting schedule with 25% of the shares vesting every 6 months starting on May 1, 2024. The options expire five years from the grant date. The value of the options granted was $260,200 or $0.38 per option.

On September 1, 2022, the Company issued 2,058,333 stock options with an exercise price of $0.60. All stock options issued are under a semi-annual vesting schedule with 25% of the shares vesting every 6 months starting on March 1, 2023. The options expire five years from the grant date. The value of the options granted was $716,328 or $0.35 per option.

On April 27, 2022, the Company completed a non-brokered private placement financing of 5,478,333 common shares at $0.60 per share for gross proceeds of $3,287,000. The Company paid finder's fees of $49,500 and legal fees of $9,919 in connection with the financing.

Management believes that the Company has sufficient funds on hand to meet its current exploration program and anticipated administrative expenses and legal costs associated with ongoing operations, however, may need to raise additional capital through further rounds of equity financing to fulfill the commitments below as and when they arise.

On April 29, 2021, Bridle entered into a binding letter agreement with the owners (the "Optionors") of the "Francisco Jose IV" and "Francisco Jose V" mineral concessions (the "Francisco Concessions"), which form part of the Colpayoc Property and consist of approximately 680.9 hectares of mineral concessions located in Cajamarca, Peru. Payments by Bridle to the owners of the Francisco Concessions under the binding letter agreement included US$50,000 payable on signing of the Letter Agreement ("LA"), US$250,000 on completion of satisfactory due diligence, and US$200,000 upon registering, in Peru, a copy of the definitive earn-in and shareholders agreement (the "Jose Agreement"), all of which amounts were paid.

On July 1, 2021, Bridle, through its Peruvian subsidiary, superseded the LA by entering into an agreement (the "Jose Agreement") to acquire up to 100% of the shares of Colpayoc S.A.C., which owns the "Francisco Jose IV" and "Francisco Jose V", in two stages - the first stage, if earned, will entitle Bridle to 75% of the shares of Colpayoc S.A.C. ("Stage 1") and the second stage, if earned, will entitle Bridle to the remaining 25% of the shares of Colpayoc S.A.C. ("Stage 2", together with Stage 1, the "Earn-In Right"). The Jose Agreement provides that, in order to retain the Earn-In Right Bridle will pay US$150,000 to the optionors upon the earlier of (i) August 17, 2023 (the date all permits, permissions, licences and agreements required by Peruvian law were obtained, including exploration, drilling and environmental permits and community agreements required to fulfill exploration expenditure requirements), and (ii) July 1, 2022. This amount was paid on August 22, 2023 after a delay due to force majeure in accordance with the Jose Agreement.

Pursuant to the Jose Agreement, Bridle can acquire the shares of Colpayoc S.A.C. by making the following cash payments and exploration expenditures: Stage 1 (75%) by making cash payments of US$1,500,000 before August 17, 2025 and incurring US$3,000,000 in exploration expenditures, of which US$1,000,000 must be spent by August 17, 2024 and US$1,000,000 must be spent by August 17, 2025; and Stage 2 (25%) by making cash payments of US$1,500,000 before August 17, 2027 and incurring exploration expenditures of US$1,000,000 by August 17, 2026 and US$1,000,000 by August 17, 2027.

In addition, upon acquisition of the earned interest, the optionors shall be granted, on a pro-rata basis, an aggregate two percent (2%) net smelter returns royalty (the "Jose Royalty") from production on the Francisco Concessions. The Peruvian subsidiary of Bridle is entitled to (but not required to) buy back some or all of the Jose Royalty within one year of the commencement of commercial production by making aggregate payments to the holders of the Jose Royalty (on a pro-rata basis) as follows:

- US$1,000,000 for each 0.5% of the Jose Royalty for up to 1.0% of the Jose Royalty;
- US$1,500,000 for the next 0.5% of the Jose Royalty, and
- US$2,000,000 for the remaining 0.5% of the Jose Royalty.

On July 24, 2021, Bridle entered into a definitive earn-in agreement (the "El Ferrol Agreement"), whereby through its Peruvian subsidiary, it can acquire a 100% interest in the "El Ferrol No. 18" mineral concession (which forms part of the Colpayoc Property and consists of approximately 900 hectares located in Cajamarca, Peru) by making an aggregate payment of US$250,000 in the following amounts on or before the following dates:

- US$50,000 (paid) following the date of registering the El Ferrol Agreement (the "Effective Date");
- US$50,000 (paid) one (1) years from the Effective Date;
- US$75,000 (paid) two (2) years from the Effective Date; and
- US$75,000 three (3) years from the Effective Date.

In addition, upon acquisition of the earned interest, the owner of the "El Ferrol No. 18" concession shall be granted a one percent (1%) net smelter returns royalty (the "El Ferrol Royalty") on production from the "El Ferrol No. 18" concession. The Peruvian subsidiary is entitled to (but not required to) buy back all the El Ferrol Royalty within nine years after acquisition by making a payment of US$500,000 to the owner of the "El Ferrol No. 18" concession.

As of the date hereof, the Company does not have any further commitments for capital expenditures or other contractual obligations other than those discussed elsewhere in this MD&A. The Company has no debt other than its accounts payable balance.

6) Transactions with related parties

Related parties are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, either directly or indirectly. Related parties of the Company include the members of the Board of Directors, officers of the Company, close family members of these individuals, and any companies controlled by these individuals. Pathway Capital Ltd ("Pathway") is considered a related party of the Company as it is controlled by the Chief Executive Officer and a director of the Company.

On November 26, 2018, the Company entered into an administrative services agreement with Pathway to pay for rent and other administrative services. On September 1, 2020, this agreement was modified to include management fees in addition to the services already provided by Pathway. During the year ended December 31, 2023, Copper Standard paid or accrued $60,000 respectively to Pathway under the agreement (2022 - $60,000), these expenses are included under general and administrative expenses and management fees in the consolidated statement of loss and comprehensive loss. As at December 31, 2023, the Company had an accounts payable balance of $41,287 owing to Pathway (December 31, 2022 - $28,739).

On April 27, 2022, the Company acquired Bridle and issued 30,000,000 (10,000,000 post-consolidation) common shares valued at $6,000,000 to a significant shareholder. The Company also granted a 1% NSR on the Jose IV, Jose V and El Ferrol properties, and repaid the $814,820 (US$624,431) shareholder loan of Bridle.

Compensation of key management personnel:

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company considers its Board of Directors, as well as the CEO and CFO to be key management personnel.

During the year ended December 31, 2023 and 2022, the Company's compensation cost for key management personnel was as follows:

	Year ended December 31, 2023 $	**Year ended December 31, 2022 $**
Salaries and Wages[1]	86,500	76,850
Share-based compensation	311,609	191,851
Total	398,109	268,701

[1]Included in Salaries and Wages are management fees relating to the Pathway agreement of $36,000 for the year ended December 31, 2023 (2022 - $36,000)

7) Disclosure of Data for Outstanding Common Shares, Stock Options and Warrants

As of the date of this MD&A, there were 41,893,464 common shares of the Company issued and outstanding. In addition, the Company had 3,075,000 stock options and 20,210,297 share purchase warrants outstanding. The fully diluted outstanding share count at the date of this MD&A is 65,178,761.

8) Significant judgements and estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Management believes the estimates and assumptions used in the Financial Statements are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

The Company's significant accounting judgments and estimates applied in the Financial Statements are as follows:

Judgements

- In calculating the fair value of GMR and Kobe for purposes of the Arrangement the Company used replacement cost as the valuation methodology, based on the legal, accounting and administration costs incurred to date by those entities.

- Management makes judgments related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

- The functional currency of the Company is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders functional currency if there is a change in events and conditions which determine the primary economic environment.

- The Company has entered into an agreement to acquire a company holding mineral projects. The expenditures incurred on the mineral projects are being accounted for as advances toward the purchase of a company interest in accordance with IFRS 10 and capitalized to the statement of financial position. Upon attaining control of the company, the Company will consolidate it as a subsidiary. On a quarterly basis, the Company assesses the deferred acquisition costs to determine if any impairment indicators are present.

Estimates

- In calculating the fair value of the share-based compensation and warrants, management uses the Black Scholes Option Pricing Model which includes estimates related to the Company's share price volatility and expected life of the instruments.

- The fair value of the assets and liabilities purchased with Bridle on April 27, 2022 have been estimated by management by allocating the fair value of the consideration shares which were issued in the concurrent financing.

- The assessment of indicators of impairment for the mineral properties and the related determination of the recoverable amount and write-down of the properties where applicable. To the extent that these estimates are not correct, the value of the mineral properties may differ. The assessment includes project plan evaluation, exploration rights, project economics, political instability, mineral prices and other applicable factors.

9) Changes in accounting standards

There are no upcoming changes in accounting standards which are expected to materially impact the Company.

10) Financial Instruments

As at December 31, 2023, the Company's financial instruments consist of cash, receivables, accrued liabilities and accounts payable. The Company classifies cash and receivables as financial assets held at amortized cost. The Company classifies accounts payable and accrued liabilities as financial liabilities, and these are held at amortized cost. The fair value of all of the Company's financial instruments approximates their carrying value.

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1– fair values based on unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – fair values based on inputs that are observable for the asset or liability, either directly or indirectly; and

Level 3 – fair values based on inputs for the asset or liability that are not based on observable market data.

The Company's policy for determining when a transfer occurs between levels in the fair value hierarchy is to assess the impact at the date of the event or the change in circumstances that could result in a transfer. There were no transfers between the levels during the years ended December 31, 2023 or as of the date of this MD&A.

The risk exposure arising from these financial instruments is summarized as follows:

(a) Credit risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's financial assets are cash and receivables. The Company holds it cash in bank accounts with highly rated financial institutions, therefore minimizing the Company's credit risk. Receivables are due from government agencies.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company has sufficient funds as of December 31, 2023 to cover its liabilities. The Company's ability to continue to meet its liabilities when due, beyond the current cash balance, is dependent on future support of shareholders through public or private equity offerings.

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings or financial instruments.

As at December 31, 2023, the Company is exposed to currency risk through its assets and liabilities denominated in US dollars and Peruvian nuevo soles. A significant change in these exchange rates could have an effect on the Company's results of operations, financial position, or cash flows. The Company has not hedged its exposure to currency fluctuations.

Based on the balances held in foreign currencies as at December 31, 2023, and assuming all other variables remain constant, a 10% change in the value of the Canadian dollar against the US dollar and Peruvian nuevo soles would result in an increase/decrease of approximately $122,822 in assets.

The Company carries no interest-bearing debt and so is not at risk of interest rate movements at present.

Capital Management

In the management of capital, the Company includes the components of shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral projects for the benefit of its stakeholders. As the Company is in the exploration stage, it has no income from operations, and its principal source of funds is from the issuance of its common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint venture arrangements, or dispose of assets.

The Company's investment practice is to invest its excess cash in highly liquid short-term interest-bearing investments selected with regards to expected timing of its expenditures. The Company is not subject to any externally imposed capital requirements.

11) Forward looking statements

All statements, other than statements of historical fact, made by the Company that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Readers are cautioned that these statements which describe the Company's plans, objectives, and budgets may differ materially from actual results and as such should not be unduly relied upon by investors. Forward-looking statements contained in this MD&A speak only as to the date of this MD&A, or such other date as may be specified herein, and are expressly qualified in their entirety by this cautionary statement.

12) Other Risks to Copper Standard

The primary risk factors affecting Copper Standard are set forth in the Company's prospectus dated November 30, 2020 and management information circular dated December 20, 2021, which both available on www.sedarplus.ca.