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February 22, 2023

Dear Fellow Shareholder,

I am pleased to provide this update on the activities that have been undertaken by the Company to advance its assets and seek a transaction for our shareholders. Our primary assets, the 76.385% owned Pecoy copper deposit and the three newly discovered mineralized porphyries nearby at the 100% owned Tororume project, represent a new long life mining district in the Southern Peru Coastal Porphyry Belt.

After entering into a non-binding term sheet with Mich Resources Ltd. ("Mich") (CSE: MICH) in July 2021, the Company entered into a definitive agreement with Mich in November 2021 for a reverse takeover transaction whereby Pembroke shareholders would receive Mich shares in exchange for Pembroke shares pursuant to an agreed share exchange calculation. Also in November 2021, Mich entered into definitive agreements to acquire the claims owned by Minera Andina de Exploraciones S.A.A. ("Minandex"), including claims located adjacent and to the south of the Company's Pecoy project, onto which the Pecoy resource extends. In January 2022, Mich entered into a definitive agreement with the owner of the 23.615% minority interest in the Pecoy project (the "Minority Partner"). All definitive agreements with Mich were subject to closing conditions, including customary regulatory approvals and the requirement that Mich raise CAD\$15,000,000 in financing. In August 2022, Mich notified the Company that it was not able to meet its obligation to raise CAD\$15,000,000 in financing, thereby terminating the definitive agreements with the Company, Minandex and the Minority Partner.

In August 2022, the Company, Minandex and the Minority Partner commenced discussions with a private equity fund. The discussions were concluded in November 2022 without reaching an agreement.

In February 2023, the Company, Minandex and the Minority Partner entered into an advisory engagement with MPA Morrison Park Advisors Inc. ("MPA") whereby MPA will provide financial advisory and investment banking services. The process with MPA is expected to continue for a minimum of six months.

On January 3, 2023, a 1,600-metre drilling program commenced at the 100%-owned Tororume project. The drilling program is being completed pursuant to a May 2021 share option agreement with a large mining company ("Mine Co") whereby Mine Co has the option to earn a 50% interest in Torion Mining S.A.C., a wholly-owned subsidiary of the Company that owns the Tororume project by spending CAD\$5,000,000 (of which CAD\$2,000,000 is committed and must be spent within the first two years), followed by a second option to earn an additional 26% interest by spending an additional CAD\$25,000,000 within the next three years. As part of this arrangement Mine Co also invested CAD\$5,000,000 by way of a convertible note in the Company.

In April 2021, the Company entered into a share purchase option agreement with Tier One Silver Inc. (“Tier One”) (TSXV:TSLV) whereby Tier One has an option to acquire a 90% interest in Compañía Minera Tororume S.A.C., a wholly-owned subsidiary of the Company that owns the Hurricane East claims, by making option payments totalling USD\$4,680,000 and incurring exploration expenses totalling USD\$10,750,000 within a five year period commencing on the date that access to the Hurricane East claims is secured. Upon completion of earning the 90% interest, Tier One will have the option to acquire the remaining 10% interest by making an option payment of USD\$10,000,000. All option payments may be made in cash or shares of Tier One or a combination thereof, at the option of Tier One. To date, access to the claims, as defined in the share purchase option agreement, has not been achieved. Negotiations with the local communities to gain access to the claims continues.

The Company has raised financing by issuing convertible notes, including CAD\$6,790,000 raised in 2020, CAD\$500,000 raised in 2022 and CAD\$750,000 raised to date in 2023. Additional financing will be required to fund the Company’s activities until the completion of a transaction.

The Company will continue to focus on completing a transaction for our shareholders while advancing our Tororume and Hurricane East projects through option agreements. We believe that a strengthening copper market along with Pecoy’s unique combination of features including low elevation, access to power, water and ports, strong community relations and agreements and clean metallurgy will enable us to realize value for our shareholders through the completion of a transaction for the Company.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Innes', written over a horizontal line.

Daniel G. Innes
Chief Executive Officer