Management's Discussion and Analysis of the Consolidated Financial Statements

For the Year Ended December 31, 2022

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MINSUD RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS

For the Year Ended December 31, 2022

INTRODUCTION

The following is a Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations of Minsud Resources Corp. (the "Company" or "Minsud") to enable a reader to assess the financial condition and results of operations of the Company for the year ended December 31, 2022.

This MD&A has been prepared as at April 21, 2023 unless otherwise indicated.

This MD&A should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2022 including the related note disclosure (the "Financial Statements"). The Financial Statements are presented on a consolidated basis and include the accounts of the Company, its wholly-owned subsidiary Minsud Argentina Inc. ("MAI"), and MAI's subsidiary Minera Sud Argentina S.A. ("MSA"), an Argentinean company in which MAI has a 99.63% ownership interest. The Financial Statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar figures included therein and in the following MD&A are expressed in Canadian dollars unless otherwise indicated. References to US$ are to United States dollars.

The Company's head office and principal business address is 340 Richmond Street West, Toronto, Ontario M5V 1X2. The Company is a reporting issuer in the provinces of British Columbia, Alberta and Ontario and trades its common shares on the TSX Venture Exchange (the "Exchange"), under the symbol MSR. Additional information relevant to the Company's activities, including press releases, can be found on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com or on the Company's website at www.minsud.com.

MANAGEMENT'S RESPONSIBILITIES FOR FINANCIAL REPORTING

The Financial Statements have been prepared by management in accordance with IFRS and have been approved by the Company's board of directors (the "Board"). The integrity and objectivity of the Financial Statements are the responsibility of management. In addition, management is responsible for ensuring that the information contained in the MD&A is consistent where appropriate, with the information contained in the Financial Statements.

The Financial Statements may contain certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis to ensure that the Financial Statements are presented fairly in all material respects.

The Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board carries out this responsibility principally through its audit committee. The members of the audit committee are appointed by the Board and have sufficient financial expertise to assume this role with the Company. The majority of the audit committee members are independent and not involved in the Company's daily operations.

CAUTIONARY NOTE ON FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws (collectively referred to as "forward-looking information") which relate to future events or the Company's future performance and may include, but are not limited to, statements about strategic plans, spending commitments, future operations, results of exploration, anticipated financial results, future work programs, mineral estimates and deposits, the mineral potential of the Chita Valley Project, capital expenditures and expected working capital requirements. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled",

"estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Readers are cautioned not to place undue reliance on forward looking information and there can be no assurance that forward looking information will prove to be accurate as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking information if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that forward-looking information will materialize. Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking information, include, but are not limited to: inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting drilling results and other geological data; the possibility of project delays and cost overruns or unanticipated costs and expenses; fluctuations in the currency markets (such as the Canadian Dollar, Argentine Peso and the United States Dollar); changes in national and local government, legislation, taxation, controls, regulations and political or economic developments in Canada and Argentina or other countries in which the Company may carry on business in the future; operating or technical difficulties in connection with exploration and development activities; risks and hazards associated with the business of mineral exploration and development (including environmental hazards or industrial accidents); risks relating to the credit worthiness or financial condition of suppliers and other parties with whom the Company does business; the presence of laws and regulations that may impose restrictions on mining, including those currently enacted in Argentina; employee relations; relationships with and claims by local communities; availability and increasing costs associated with operational inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses, permits and approvals from government authorities; business opportunities that may be presented to, or pursued by, the Company; challenges to, or difficulty in maintaining, the Company's title to properties; uncertainties relating to the availability and costs of financing needed in the future; and the factors identified under "Risk Factors" in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those contained in forward-looking information, there may be other factors that could cause actions, events or results to differ from those anticipated, estimated or intended.

The forward looking information contained in this MD&A are based upon assumptions management believes to be reasonable including, without limitation: financing will be available for future exploration, development and operating activities; the actual results of the Company's development and exploration activities will be favourable or at least consistent with management's expectations; operating, development and exploration costs will not exceed management's expectations; all requisite regulatory and governmental approvals for development projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions will be favourable to the Company such as the continuing support for mining by local governments in Argentina; the price of gold and/or other applicable metals and applicable interest and exchange rates will be favourable to the Company or at least consistent with management's expectations; no title disputes will exist with respect to the Company's properties; debt and equity markets and other applicable economic conditions will be favourable to the Company; the availability of equipment and qualified personnel to advance exploration projects and; the execution of the Company's existing plans and further exploration and development programs for its projects, which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans or programs.

This forward-looking information represents the Company's views as of the date of this MD&A. The Company anticipates that subsequent events and developments may cause the Company's views to change. The Company does not undertake to update any forward-looking information, either written or oral, that may be made from time to time by, or on behalf of the Company, subsequent to the date of this discussion, other than as required by law.

CORPORATE OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Ontario) on October 11, 2007 under the name "Rattlesnake Ventures Inc." and changed its name to "Minsud Resources Corp." on May 10, 2011 upon the completion of its Qualifying Transaction (as defined under the policies of the Exchange through which it ceased being a capital pool company).

As a result of its Qualifying Transaction, the Company acquired all of the issued and outstanding shares of Minsud Resources Inc. ("MSR") by way of a three cornered amalgamation resulting in the amalgamation of MSR and 1830835 Ontario Inc., a wholly owned subsidiary of the Company, to form MAI (the "Minsud Transaction"). At the time of the completion of the Minsud Transaction, MAI became the owner of 95% of the issued outstanding shares of MSA, which was previously held by MSR. As at December 31, 2022, MAI held 144,951,699 of the 145,494,299 outstanding common shares of MSA, representing an ownership interest of 99.63%.

As of the date of this MD&A, the members of the Company's Board of Directors are Alberto Francisco Orcoyen, Carlos Alberto Adamo (non-executive Chairman), Agustin Dranovsky, Lucia Dragonetti, Pablo Taussig, Paul F. Andersen, and Scott F. White. As of the date of this MD&A, Mr. Orcoyen, Mr. Adamo and Mr. White form the Company´s audit committee, and Mr. Taussig, Mr. Adamo and Mr. Dranovsky form the compensation committee.

On December 9, 2021, the following changes to directors, officers, and management occurred:

- Hugo Dragonetti (Jr) resigned from the Company's Board of Directors.
- Lucia Dragonetti was appointed to the Company's Board of Directors.

On March 26, 2021, the following changes to directors, officers, and management occurred:

- Diego Bauret resigned his position as Chief Operating Officer of MSA.

The Board of Directors is made up of a majority of independent directors in accordance with the guidance of the Exchange policies. The independent directors are Scott White, Carlos Adamo, Lucia Dragonetti, and Pablo Taussig.

PRINCIPAL BUSINESS OF THE COMPANY

The Company's principal exploration project is the Chita Valley project (the "Chita Valley Project") consisting of three contiguous core properties: the Chita, Brechas Vacas and Minas de Pinto mineral concessions (totaling 8,350 ha), and five additional properties in Argentina. In total, the Company controls an area of 19,883 hectares or 199 square kilometers in Argentina via its direct ownership of the mining rights or through its interests in various trusts that own mining rights as described below.

Minsud, through its subsidiary MSA, owns 100% of the Chita and Brechas Vacas core properties and the five adjacent properties (Chita Este, Brechas Vacas Oeste, Chita Norte, Chita Sur and Fortuna I). Minsud is also the beneficial owner of 65% of a trust that owns 100% of the Minas de Pinto property. The remaining 35% of the Minas de Pinto trust is held by the previous owners with whom the Company entered into the original Exploration Agreement in 2010. The remaining beneficial interest is subject to an exclusive and irrevocable purchase option agreement granted in favour of MSA. All required payments and terms as per the various ownership agreements are up to date.

A 0.6% net smelter return royalty ("NSR") is payable to the Brechas Vacas property owners, with Minsud having the option to purchase a 0.3% NSR at any time for a one-time payment of US$400,000. A 2% NSR on future production revenue from the Chita Norte and Chita Sur exploration permits is payable to Troy Resources Argentina Ltd. Minsud has the right to purchase one half or 1% of the NSR royalty by paying US$750,000. A 2% NSR on future production revenue from the Fortuna I exploration permit is payable to Teck Argentina Ltd. Minsud has the right to purchase one half or 1% of the NSR royalty by paying US$600,000.

The Company also owns 100% of the mining rights at La Rosita (5,986 ha) which has progressed to a state that is ready for drilling. The La Rosita Property is a gold and silver prospect located within the Deseado Massif in the Area of Special Mining Interest of Santa Cruz Province. The La Rosita Property consists of the Alfa II mine and Alfa III mining concession. To date, the majority of the exploration activity carried out by the Company has been on targets located on the Alfa II mine (1,992 ha).

On November 1, 2019, the Company signed an earn-in agreement (the "Earn-in Agreement") with South32 Aluminum (Holdings) Pty Ltd ("South32") to explore the Chita Valley Project. Under the Earn-in agreement and having given the Company notice of its intention to continue funding the Chita Valley Project, South32 will provide further funding to MSA such that its aggregate funding is not less than C$14 million by February 28, 2024. If South32 exercises its earn-in right it may elect to acquire a 50.1% direct interest in the Company's Argentinean operating subsidiary Minera Sud Argentina S.A. ("MSA") at the end of the earn-in period by paying an additional C$14 million to Minsud, or by funding a pre-feasibility study, with a minimum spend of C$41 million, which would entitle it to elect to increase its 50.1% direct interest in MSA to 70%.

BUSINESS DEVELOPMENTS DURING THE YEAR ENDED DECEMBER 31, 2022

Financing

Since June 2012, management has been able to raise more than $12.5 million through fourteen non-brokered private placements from investors that share the Company's long-term vision.

The Company's most recent financing occurred in December 2021, when the Company raised $350,000 and $627,000 through the exercise of stock options and warrants, respectively.

Projects

On March 26, 2018, Minsud filed a National Instrument 43-101 ("NI 43-101") Technical Report and updated Mineral Resource Estimate on the Chita South Porphyry Deposit. The Mineral Resource Estimate considers copper as a primary consideration along with molybdenum, gold and silver mineralization. The latest estimate includes Indicated Resources of 33.02 million tonnes at a grade of 0.43% Cu, 0.07 g/t Au 2.28 g/t Ag and 0.018% Mo and Inferred Resources of 8.59 million tonnes at a grade of 0.40% Cu, 0.07 g/t Au. 1.73 g/t Ag and 0.016% Mo.

However, the mineral potential of the Chita Valley Project as a whole goes far beyond the known Indicated and Inferred Resources at Chita South Porphyry. The results from Phase IV exploratory activities, together with previous drilling phases, have expanded the Chinchillones porphyry-epithermal system, now thought to encompass at least 2 km x 2 km footprint, and open at depth exceeding 850m (limit of previous drilling). Drilling has demonstrated superimposed broad zones of polymetallic Zn-Pb-Cu-Au-Ag mineralization hosted in linear hydrothermal breccia bodies of both epithermal high sulfidation and intermediate sulfidation affinities. These breccia bodies are believed to be fed from at least two separate porphyry centers.

With favourable topography, abundant water, access to power, excellent infrastructure and friendly climate, the Chita Valley Project has the field conditions to explore on a year-round basis and no active alpine glaciers are possible below approximately 4,100 m ASL.

EARN-IN AGREEMENT WITH SOUTH32

On November 1, 2019, the Company, MAI and MSA, signed the Earn In Agreement with South32, a wholly-owned subsidiary of South32 Limited, to explore the Chita Valley Project. Minsud and South32 are together referred to as the "parties".

South32 Limited is a globally diversified mining and metals company producing bauxite, alumina, aluminum, energy and metallurgical coal, manganese, nickel, silver, lead and zinc at its operations in Australia, Southern Africa and South America.

Earn-in Agreement

The Earn-in Agreement grants to South32 the right to acquire up to a 50.1% direct interest in MSA at the end of the earn-in period.

Under the Earn-in Agreement, South32 will provide up to $14 million in capital contributions to MSA over a period of 4 years, as follows: (i) not less than $3.5 million by December 31, 2020; (ii) not less than an aggregate of $7 million by December 31, 2021; (iii) not less than an aggregate of $10.5 million by December 31, 2022; and (iv) not less than an aggregate of $14 million by December 31, 2023. Once South32 has complied with its funding obligations, South32 may exercise its right to acquire a 50.1% direct interest in MSA by electing to subscribe for MSA shares equal to 10% of MSA's shares, in consideration for its funding, and acquire the remaining 40.1% of MSA's shares from MAI for a consideration of $14 million.

As at December 31, 2022, South32 had invested a total of $ 19,720,687 (US$ 11,254,842) (December 31, 2021 - $8,748,480 (US$6,766,888)) to the Earn-in Agreement. These payments have been deferred as a liability and represents a portion of the funding that will form the consideration for South32's investment in MSA, should South32 exercise its right to acquire a 50.1% direct interest in MSA as discussed above.

On February 3, 2023, South32 announced funding for Year 4 exploration and intends to fund the $9,100,000 exploration budget and program.

Shareholders' Agreement

Upon the exercise of South32's right to acquire a 50.1% direct interest in MSA, Minsud and South32 will sign a Shareholders' Agreement to govern the management and operation of MSA and, if warranted, further exploration, development and exploitation of the Chita Valley Project. The Shareholders' Agreement provides for the following phases.

Prefeasibility Study Election – "PFS funding"

South32 may undertake to complete a prefeasibility study ("PFS"), in which case it shall be entitled to subscribe for 50.1% of MSA's shares and shall have the right to acquire an additional 19.9% in MSA as described below exercisable on completion of the PFS.

If South32 has elected to fund a PFS at the end of the earn-in period, then, on or before the fifth anniversary of that election, South32 must deliver a PFS that complies with National Instrument 43-101 and CIM Definition Standards on Mineral Resources and Reserves by funding a minimum amount of C$55 million less any amount contributed during the earn-in period. Upon delivering the PFS, South32 may either elect to (I) pay to MAI C$20 million to acquire 19.9% of MSA's shares or (ii) fund a bankable feasibility study ("BFS"), in which case it shall be entitled to subscribe for 19.9% of MSA's shares (such that in either case South32 shall, following the relevant election, own 70% of MSA's shares and Minsud shall own 30% of such shares).

If South32 opts neither to fund the BFS nor to purchase MSA's shares from MAI, its ownership in MSA will be reduced to 49.0% and MAI's interest shall be 51%

Bankable Feasibility Study Election – "BFS funding"

If South32 has elected to fund a BFS, as long as such BFS is delivered on or before the third anniversary of that election and with effect from the BFS's date of approval by the Board of Director of MSA, South32 will have the sole, exclusive and irrevocable right to subscribe for, be issued and to acquire an additional 10% of the shares of MSA such that, in aggregate, it will hold 80% of the shares. If the BFS is delivered by South32 after the date which is the fourth anniversary but on or before the fifth anniversary of such election, the additional

MSA shares to be issued and subscribed or acquired by South32 will be reduced to 5%. In this case, the aggregated participation will be 75%. If the BFS is delivered by South32 after the date which is the fifth anniversary but on or before the sixth anniversary of such election, South32's interest in MSA will remain at 70%. South32 must deliver a BFS that complies with National Instrument 43-101 and the CIM Definition Standards on Mineral Resources and Reserves.

Purchase Election

If South32 has elected to purchase MSA's shares from MAI at the end of the earn-in period, each party shall be obliged to contribute to approved annual programs and budgets in proportion to its participating interest. If a party does not elect to contribute, it will be diluted on a straight-line basis. In the case that Minsud is reduced to less than ten percent (10%), it will be entitled to a two percent (2%) net smelter returns royalty on the Chita Valley Project in exchange for its remaining interest in MSA, pursuant to the terms of a royalty agreement.

In the five years following the purchase by South32 from MAI of MSA shares (pursuant to the elections referred to above), MAI will have a one-time right, exercisable by notice to South32, to elect not to contribute to the approved annual program and budget and to suspend dilution of its equity interest in MSA for the duration of such program while it seeks a third party to acquire its interest in MSA (the "sale period"). During the sale period, South32 will contribute 100% to any approved program and budget but, should Minsud fail to find a third-party buyer for its interest, Minsud will have the right to claw back its participation as at the beginning of the sale period by paying 1.5 times the amount of the funding contributed by South32 during that period. Dilution will otherwise be applied retrospectively. Any shareholder holding at least 20% participation has a right of first refusal to match any third-party proposal.

South32 Exercise of Earn-In Right to Acquire a 50.1% Interest in Minera Sud Argentina.

On April 13, 2023, South32 has exercised its earn-in right to acquire a 50.1% ownership interest in Minera Sud Argentina S.A., Minsud's indirect Argentinian subsidiary that holds and operates the flagship Chita Valley Project.

In accordance with the terms of the earn-in agreement dated November 1, 2019, as amended between South32 and Minsud, South32 had the right to exercise its Earn-In Right upon advancing initial capital contributions to MSA of no less than C$14 million (the "South32 Initial Capital Contribution") for a period of four years in order to fund MSA's exploration programs. South32 advanced the South32 Initial Capital Contribution within a period of three years and has, in accordance with the Earn-In Agreement, exercised its Earn-In Right to acquire 50.1% of MSA.

Completion of South32's acquisition of 50.1% of the shares in MSA shall take place on the earlier of: (i) the completion of the Year 4 annual exploration program; and (ii) February 14, 2024.

At the time of Completion, MAI. and South32 will enter into a shareholders' agreement to govern the management and operation of MSA which will include further exploration and, if economically feasible, the development and exploitation of the Chita Valley Project (the "Shareholders' Agreement"). Until Completion, MAI shall continue to manage and operate MSA and, therefore, the Chita Valley Project.

As part of the exercise of the Earn-In Right the parties to the Earn-In Agreement have agreed to certain amendments to the Earn-In Agreement and the Shareholders' Agreement, including:

- The exercise of the Earn-In Right by South32 is confirmed and certain other optional earn-in rights in favour of South32 relating to the funding of a prefeasibility study and a bankable feasibility study are removed.
- MAI shall be entitled to elect, prior to Completion, whether South32's acquisition of the 50.1% stake in MSA will be effected by means of:

    (i) South32's subscription for MSA shares in consideration for the South32 Initial Capital Contribution (the "Cash In Option"); or

(ii) a combination of a subscription for 10% of MSA shares combined with a sale of 40.1% of MSA shares from MAI to South32 (the "Cash Out Option").

- Previously, the Earn-In Agreement provided that on exercise of the Earn-In Right South32 would pay an amount of C$14 million to MAI (the "Transfer Price") which is in addition to the South32 Initial Capital Contribution. The amendments to the earn-In Agreement now provide that:

  (i) Whilst South32 has already committed to fund C$9.1 million for the Year 4 exploration program (of which C$2.6 million has already been contributed) 49.9% of the C$9.1 million Year 4 exploration program will now be funded by MAI by way of this amount being deducted from the Transfer Price;

  (ii) If MAI opts for the Cash Out Option, then South32 shall pay the balance of the Transfer Price to MAI on Completion and for a period of twenty-four (24) months from the date on which the Shareholders' Agreement is signed, and provided that MAI reinvests the balance of the Transfer Price in approved MSA programs and budgets, then MAI's 49.9% share in MSA shall not be diluted; and

  (iii) If MAI opts for the Cash In Option, then MAI will not be obliged to contribute any amount to an approved program and budget until the aggregate of the South32 Initial Capital Contribution and the amounts contributed and funded by South32 in respect of MSA approved programs and budgets following the South32 Initial Capital Contribution equals C$42 million.

EXPLORATION DEVELOPMENTS DURING THE YEAR ENDED DECEMBER 31, 2022

Chita Valley Project

Geological Features

The Chita Valley Project is located near the northern limit of the present day amagmatic (not volcanic) Chilean-Pampean (Argentina Sierras Pampeanas) flat slab segment of the Andean Cordillera (~28°–33°S), which is characterized by low-angle subduction of the Nazca plate beneath South America (porphyry copper deposits belt in Chile-Argentina, are related to this tectonic feature).

The Chita Valley Project is the eastern part of a N-trending, late Oligocene to Miocene magmatic arc, containing numerous porphyry and epithermal deposits and prospects, which spans the northern transition zone between the Chilean-Pampean flat slab segment and the central Andean steep slab, including the Chilean Maricunga gold belt to the north. In the neighboring, El Indio belt, west of Chita (Chile – Argentina border), volcanic rocks are widespread, whereas, where the Chita Valley Project is situated, the volcanic pile is rather less extensive due to erosional removal during kilometer scale by Miocene uplift to expose the late Paleozoic to Triassic basement, conformed at place by the Tectonic Thin Skinner Aguas Negras Paleozoic Fm and by crystalline lower Thick Skinner conformed by Permian granite intrusive. Thin and Thick Skinner tectonic events are related to emplacements of the major porphyry systems in Chile.

In addition to these considerations, during porphyry emplacement through the Aguas Negras Fm (quartzites), a non-reactive rock with very low permeability, permitted a recurrent magmatic fluid pulse forming late fissure-filling veins distinguished by a structural control character. These veins structurally controlled, with anomalously high Au and Ag values have been emplaced at the top of the Chita South and North (lithocap) and are representative of porphyry continuity below the Chita Valley to the west, below the quartzites lithocap. Phreato hydrothermal breccia intercepted in the recent drill programs, are indicative of a deep eroded porphyry system and highly uplift and eroded rate of the magmatic-hydrothermal system during emplacement.

At Chinchillones area, a sequence of mainly quartzites of Aguas Negras Fm outcrop and are intruded by Quartz diorite-dacite porphyry, presenting cross cutting of typical porphyry quartz vein types, related with a porphyry system concealed below the Chita Valley, as geophysical data surveys also confirmed. The structural system affecting the Chinchillones target comprise polymetallic Au-Ag-Cu-Pb-Zn intermediate Sulfide veins mineralizations, which are consistent with the same structural system along a northeast structural trend, as we observed in the environment of the Chita North and Chita South and where appears also to be anomalously high

in Au-Cu-Pb-Ag-Zn mineralization.

Different Phreatic - Hydrothermal breccias observed at Chita and Chinchillones, reflect a complex sequence of multiple events that occurred at the upper parts of a porphyry system during their emplacement.

The 2021-2022 drill results so far at Chinchillones support continuous polymetallic mineralization (Pb-Ag-Zn-Cu-Au), affiliated with porphyry Cu-Mo mineralization, occurring in a >2km-long, at least 250m-wide NNE-striking zone. The potential for a large porphyry copper-molybdenum system in the Chinchillones area is interpreted here to remain open to the south and at depth.

The drill confirmed higher-grade zones correspond to discrete phreatic hydrothermal breccia bodies traversing the porphyry mineralization, indicating telescoping / hydrothermal collapse of the magmatic system. The presence of multiphase intrusion is thought to indicate cluster of porphyry centers as valid exploration targets.

Work Program performed during fiscal 2021:

On May 12, 2021, the Company commenced the Phase III drilling program that originally comprised a total of 6,100 meters, to test the Au-Ag-bearing oxidation zone at Chinchillones area through a systematic grid shallow drilling and scout drilling targeting anomalous areas at the Chita polymetallic and porphyry complex. Encouraged by the results received, the Company and South32, decided to extend this drilling program, with the aim of continuing exploring this recently discovered area, expecting to complete a total of 12,000 metres by the end of the year.

During the year ended December 31, 2021, the Company completed phase III drill program comprising 11,970 meters distributed in twenty-four (24) drill holes. All geochemical results have been received and reported through press release (*see the Company's press releases dated August 26, 2021, October 7, 2021 and December 31, 2021, available under the Company's profile on SEDAR at www.sedar.com).*

Drill hole CHDH21-23 returned 202m with 0.13% Cu, 0.77% Zn and 22 g/t Ag from 148m including a higher-grade section of 36.05m from 271m to 307.05m at 0.24% Cu, 47.18 g/t Ag, 0.94% Zn. This drill, oriented SSE, dipping 65° and 707m depth, went below the main resurgent dome and intersected several lithologies affected by intense sericitic alteration with strong secondary silica-sulfide zones. Sulfide mineralization averages 1-3 vol% and consists of veined and disseminated pyrite-chalcopyrite. The principal mineralization is hosted in hydrothermal breccias and intermediate sulphidation veins of sphalerite –galena– chalcopyrite.

The porhyry affiliation is supported by the 84m from 598m to 682 m at 0.17% Cu, 0.14 g/t Au, 4.77 g/t Ag, 85 ppm Mo characterized by increased molybdenite and chalcopyrite both in veins and as disseminations in porphyry host rocks.

Drill hole CHDH21-28 intersected 53m at 1.04% Cu, 0.18 g/t Au, 3.18 g/t Ag, 227 ppm Mo from 584m including a higher-grade section of 29m at 1.69% Cu, 0.30 g/t Au, 4.69 g/t Ag, 250 ppm Mo from 608m. This drill hole is located 150m south to the recently reported CHDH21-23, with SSE azimuth, dipping 65° and drilled to 687.7m depth. This drill hole intersected altered phreato-magmatic breccias down to 80m. Thence it went through intercalated Permian sediments and dacite bodies, both affected by intense argillic (illite –kaolin) alteration. The last 150m of this drill hole comprised a diorite porphyry hosting intense quartz-sericite alteration, cut by phreato hydrothermal breccias hosting high-grade IS (Intermediate sulphidation) Pb-Zn-Cu. The higher-grade mineralization occurs in a zone characterized by well-developed sulphide cemented phreato hydrothermal breccias and veins of sphalerite–chalcopyrite-galena, superimposed on a porphyry system.

These drill holes, together with CHDH20-04 and CHDH20-05 (Phase I) and CHDH20-17 (Phase II) support the presence of a porphyry system at depth with linkage to shallow polymetallic Cu-Au-Pb-Zn mineralization.

Drill hole CHDH21-30 intersected 276m at 0.44% Cu, 0.11 g/t Au, 8.65 g/t Ag, 329 ppm Pb, 0.11% Zn , from 182m to 458m. This drill hole is located 820m east of CHDH21-28, heading NNE, dipping 65° and drilled to 650m depth. This drill hole intersected mineralized cupriferous faults between 4m to 8m-wide, with grades up to 2.73% Cu. The main mineralization occurs as disseminations, and in thin quartz type "B" and "A" veinlets

of pyrite-chalcopyrite and chalcopyrite-bornite, respectively. This drill hole probably confirms the presence of another Cu-Mo porphyry centre and is interpreted here to be open in several directions.

The substantial porphyry Cu mineralization at CHDH21-30 confirms the potential of Chinchillones to host clusters of intrusion-hydrothermal phreatic breccias and centred porphyry mineralization.

Drill hole CHDH21-26 returned 106m at 0.14% Cu, 0.11 g/t Au, 17.81 g/t Ag, 0.25% Pb, 0.91% Zn, from 192m to 298m. It confirms the presence of high grade hydrothermal breccias at depth. And drill hole CHDH21-29 intersected 403m from 66m to 468m (end of hole), of anomalous Cu mineralization averaging 0.13% throughout the drill hole. The principal mineralization occurs as disseminations and in thin "A" type quartz veinlets hosted in dacitic rocks and in the phreatic hydrothermal breccia.

CHDH21-37 is the deepest drillhole of the Chita Valley Project with 852 m depth. The most significant intercepts included 448m with 0.29% Cu, 0.13 g/t Au, 24.08 g/t Ag, 353 ppm Mo, 0.27% Pb, 1.17% Zn , from 404m to 852m EOH and a higher-grade zone of 114m from 490m at 0.52% Cu, 0.34 g/t Au, 67.30 g/t Ag, 0.79% Pb, 3.46% Zn . This drillhole, with a NNW azimuth, dipping 80°, aimed at testing the extent of high-grade polymetallic mineralization intersected at CHDH21-23 (please see press release dated August 26, 2021). High-grade intervals are hosted in magmatic-hydrothermal breccias from 409m to 600m, with abundant sulphides in the breccia matrix. The breccia progresses at depth to a finer-grained dioritic porphyry containing pervasive Cu-Mo mineralization within type "B" veins, accompanied by strong sericite-quartz-pyrite alteration, until the end of the drillhole.

The mineralized diorites intercepted at depth in CHDH21-37, together with those observed in drillholes CHDH21-23, 28, 04 and 38, confirmed the presence of a porphyry mineralized body, from around 500m below surface extending down-dip to at least 850m. From the drilling conducted so far, the apparent NS-trending porphyry body is at least 500m-long and 270m-wide.

The higher-grade polymetallic mineralization from 102m occurs in a zone characterized by well-developed sulphide-cemented hydrothermal breccias and high-density vein network of sphalerite– chalcopyrite-galena-pyrargyrite-tennantite-native silver which is demonstrably superimposed on the Cu-Mo-Ag-Au porphyry body.

CHDH21-38 intersected 387m at 0.25% Cu, 0.06 g/t Au, 9.06 g/t Ag, 111 ppm Mo , from 340m to 727m. This drillhole is located 250m NE of CHDH21-37, heading S, dipping 75° with 727m depth. This drillhole intersected mineralized dacitic and dioritic rocks. The principal Cu-Mo-Ag-Au mineralization occur as disseminations, and in thin quartz type "B" and "A" veinlets of pyrite-chalcopyrite and chalcopyrite-bornite. In conjunction with drillhole CHDH21-37 these drillholes confirmed the presence of Cu-Mo porphyry at depth and demonstrate that the porphyry body is open in various directions. Molybdenum values remarkably increased through to the end of the drillhole, indicating further potential at depth.

The substantial and high-grade Zn-Pb-Ag-Cu-Au and Cu-Mo-Ag-Au mineralization at CHDH21-37 and CHDH21-38 confirm the potential of Chinchillones to host high-grade polymetallic mineralization transitioning to prospective cluster of porphyry Cu centres.

The drill hole results reported above confirm the presence of highly significant Zn-Pb-Ag mineralization that overprints at least two (2) porphyry centres.

CHDH 21-39 intercepted 296m from 282m to 576m with 0.45% Cu, 0.09 g/t Au and 3.76 g/t Ag, and a higher-grade zone of 85m from 287m at 0.72% Cu, 0.13 g/t Au and 6.08 g/t Ag. Between 282m and 578m mineralization and geological parameters are coincident with those encountered at the CHDH21-30. Mineralized intercepts at the CHDH21-30 and CHDH21-39 confirm a Cu-Mo deep zone of porphyry mineralization type open to the Northeast.

CHDH21-40 intercepted several mineralized intervals, with 27m from 33m to 60m with up to 1.15% Cu (pyrite-chalcopyrite-covellite-chalcocite-enargite) occurring as a distinctive NNE structural control. From 178m from 356m to 534m at 0.22% Cu, 0.16g/t Au, 3.81g/t Ag. Those veins cut early porphyry and related breccia bodies.

CHDH21-41 intersected 14m at 0.19% Cu, 0.1 g/t Au, 9.58% Ag, 0.11 % Pb, 0.26% Zn before being abandoned at a depth of 356m due to drilling difficulties and could not reach the programmed depth. Mineralization is hosted in Phreatic Hydrothermal breccias, apical part of the porphyry system.

CHDH21-42 intercepted 208m from 398m at 0.21% Cu, 2.61g/t Ag, 0.1%Zn. The objective of this drillhole was to verify the continuity of the mineralized dioritic porphyry, below the quartzites of Agua Negra Fm outcrops. The mineralized zone intercepted is very irregular and is cut by quartz veins type with chalcopyrite-bornite mineralization, indicative of deeper presence of a porphyry system.

Work Program performed during fiscal 2022:

The Company commenced Phase IV drill program in May 2022 and plans to complete a 26,000 m program by first quarter of 2023. As of the date of this MD&A, the Phase IV program has completed 28 drillholes for 19,058m. The drilling campaign is ongoing, with two drillholes currently being drilled and two more awaiting assay results. To support the continued progress of the program, two drill rigs are currently in operation. (*see press releases dated March 21, 2023*).

The principal objectives of the current program include further delineation of the mineralized body discovered during the Phases I to III programs (2020 and 2021), test additional centers of polymetallic mineralization at the Chinchillones area and to probe the down-dip continuity to the South Chita Porphyry (PSU) deposit.

Chinchillones Target

The newly drilled holes have confirmed the presence of mineralized intrusive bodies hosting porphyry-style Cu-Au-Mo-Ag at depth, beneath the high sulfidation mineralization intersected near surface.

The results from CHDH22-62 are highly significant as they reveal the presence of a Cu-Au-rich intrusive body with tonalitic composition that differs both compositionally and texturally from the principal dioritic porphyry Cu-Mo body at Chinchillones. This auriferous porphyry traverses a larger mineralized porphyry Cu-Mo body at depth, and importantly, the mineralized porphyry column, which consistently exhibits high Cu grades, is open to at least 850m. Near the surface, an affiliated alteration-mineralization footprint is present, characterized by an extensive zone of advanced argillic alteration (pyrophyllite-kaolinite-silica-alunite) that trends broadly NNE, with a strike length of at least 700m and 450m width.

Drillholes CHDH22-62 and CHDH22-57 now validate the unequivocal presence of a second tonalitic porphyry, which is associated with intra-mineral dacitic bodies. The central porphyry at Chinchillones is believed to be an earlier phase, occurring as roof pendants and angular clasts to the tonalite porphyry-associated dacitic volcanic unit. This provides unequivocal temporal separation between the two productive porphyries, further supporting the interpretation of distinct mineralizing events.

Near the surface, a high sulfidation system is present, which is characterized by pervasive sulfidic replacement of host rocks, massive sulfidic pods/lenses, pervasive sulfidic disseminations, and sulfides in-filling hydrothermal breccia matrix. The sulfides comprise of varying amounts of pyrite, chalcopyrite, covellite, tennantite, enargite, chalcocite, digenite, bornite, sphalerite, galena, calaverite, and hessite.

The drillhole CHDH22-64 has further expanded the extent of Cu-Mo mineralization encountered by the previously reported drillholes (*see press releases dated December 23, 2022, and October 13, 2022*). With 311m at 0.19% Cu, 0.02 g/t Au, 2.36 g/t Ag and 513ppm Mo from 560m (open at depth) including 75m at 0.15% Cu, 1,095 ppm Mo and 0.19 ppm Re from 796m highlighting higher-grade molybdenum and coincident rhenium mineralization. This drillhole terminated in an intra-mineral hydrothermal breccia, which notably contains fragments of angular to sub-rounded clasts of both tonalite and diorite porphyries. In the last 200 meters, there is remnant potassic alteration with moderate intensity phyllic overprint. Notable features include the presence of stockworked quartz-molybdenite-pyrite-chalcopyrite veinlets, porphyry-related B and A veins, and K-feldspar veinlets.

The drilling phases completed in 2020 and 2021 confirmed a productive advanced argillic alteration (pyrophyllite-quartz-pyrite) hosting high sulfidation mineralization zone (tennantite-chalcopyrite-sphalerite-galena-enargite), encroaching down to 300m below surface and occupies almost the entire eastern edge of the Chinchillones porphyry-epithermal complex. The drillholes in this sector intersected slivers of the mineralized porphyry amongst advanced argillic-altered dacitic lithologies. It is interpreted that these porphyry Cu-Mo bodies progress to a much bigger and higher-grade mineralization at depth or along strike.

The drillholes CHDH22-43 and CHDH22-50, yielded high-grade high sulfidation Cu-Zn-Pb-Ag mineralized intervals occurring in a broad advanced argillic (pyrophyllite-kaolinite-pyrite-secondary silica) altered dacitic lithologies. This important NNE-trending porphyry and epithermal corridor comprise an area of at least 1 km-long and 350m-wide. Drilling demonstrated that the high sulfidation mineralization extend down-dip to at least 500m.

Drillhole CHDH22-50 yielded mineralized dacitic porphyry affected by strong pyrophyllite-dominated advanced argillic alteration and traversed by highly sulfidic intra-mineral hydrothermal breccias. This hole, together with CHDH22-47, confirmed a mineralized dioritic Cu-Mo porphyry at depth. The best intervals are from 77 to 719m, 642m with 0.27% Cu and 7.4 g/t Ag which include high sulfidation structures of about 20m thick at 1.51% Cu, 0.20 ppm Au, 31ppm Ag.

Drillhole CHDH22-43 yielded 90m of advanced argillic altered phreatic hydrothermal breccia. Mineralization is largely as disseminated Cu sulfides with 112m at 0.42% Cu from 30m to 142m, emplaced along the contact of a dacite porphyry with the quartzites of Aguas Negras Permian Fm.

Drillhole CHDH22-47 intersected advanced argillic-altered dacitic porphyry cut by late, lower-grade dacites. The most interesting sections range from 278m to 474m with 196m of 0.22% Cu; and from 574m to 782 m, 208m at 0.20% Cu and 178ppm Mo. This section heralded the commencement of porphyry-type mineralization towards the end of the drillhole. Although the Cu values are of moderate grade, a mineralized dioritic porphyry was confirmed.

South Porphyry Target (PSU)

Drillholes CHDH22-48 and CHDH22-49 tested the Chita South Porphyry (PSU) at depth. Cu-Mo mineralization was confirmed below 120m, at least up to 250 m depth. The low-level As-Sb and Zn-Pb-Ag-Au values are thought to indicate deeper erosional level compared to the emplacement level at Chinchillones, where high sulfidation veins and replacement are more pervasive.

Drillhole CHDH22-48 intersected 212m from 32m to 244m at 0.25% Cu, 200 ppm Mo. It cuts the NE-trending 10m to 15m veins and vein network (interpreted to be intermediate sulfidation type veins) hosting Zn-Pb-Ag-Au. This drillhole ended at 578 m due to drilling difficulties and could not reach the programmed depth.

Drillhole CHDH22-49 ends at 750.3 m. A moderate to strong potassic alteration is confirmed until the end of the drilling.The current results of Phase IV, together with previous drilling phases, confirmed the continuity of a Cu-Mo porphyry system to the northeast, the porphyry footprint to the NE of the central Chinchillones area is now thought to encompass 1 km x 800m, demonstrably open to depth, and a superposed broad zone of polymetallic Au-Zn-Pb-Ag mineralization related to hydrothermal breccia bodies and epithermal high sulfidation and intermediate sulfidation structural vein systems. These spectrum of mineralization styles are thought to support a highly telescoped system. The presence of pervasive quartz-pyrophyllite hosting ubiquitous sulfidic veins, breccia in-fill, pods, lenses implies that the Chinchillones system represents the basal parts of an advanced argillic lithocap where the vertical porphyry-affiliated advanced argillic column has largely been lost by erosion during both tectonic uplift and Chita Valley incision. The erosion must have commenced syn-hydrothermally to account for at least 700m of telescoping of the quartz-pyrophyllite over a core of potassic alteration. The Chita Valley porphyry system and related epithermal mineralization represent a large magmatic-hydrothermal system, along approximately 4 km strike spanning the EW-trending Chita Valley corridor.

SELECTED ANNUAL INFORMATION

The following selected financial data for the financial years ended December 31, 2020, 2021 and 2022 are derived from the audited Consolidated Financial Statements of the Company for the financial years ended December 31, 2020, 2021 and 2022.

	As at and for the Year Ended December 31, 2022 ($)	As at and for the Year Ended December 31, 2021 ($)	As at and for the Year Ended December 31, 2020 ($)
Net loss for the year	(3,614,812)	(2,161,084)	(1,694,739)
Comprehensive income (loss) for the year	(1,178,409)	(74,879)	(2,091,583)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.01)
Loss per share from continuing operations, basic and diluted	(0.01)	(0.01)	(0.01)
Non-current assets	27,513,327	18,906,790	13,608,177
Current Assets	3,582,698	3,189,421	1,287,310
Non-current liabilities	19,720,687	9,844,096	4,105,996
Current Liabilities	928,657	1,099,676	557,770
Working Capital	2,654,041	2,089,745	729,540
Share Capital	19,328,842	19,371,637	18,098,392
Shareholders' Equity	10,446,681	11,152,439	10,231,721

Project expenditures for the year ended December 31, 2022 are as follows:

Year ended December 31, 2022	**Chita ($)**	**Brechas Vacas ($)**	**Minas de Pinto ($)**	**Other ($)**	**Total ($)**
Acquisition costs (a)	49,589	9,985	122,254	NIL	181,828
Drilling	2,848,475	366,510	9,019	NIL	3,224,004
Road	105,366	81,633	24,983	NIL	211,982
Assays	458,752	254,558	5,720	NIL	719,030
Labour and Technical Fees	463,488	412,014	81,730	NIL	957,232
Vehicles and Equipment	64,508	74,666	13,238	NIL	152,412
Travel and Lodging	53,764	27,737	4,703	NIL	86,204
Project Management	(659,666)	(293,048)	(42,558)	NIL	(995,272)
Current Expenditures	**3,384,276**	**934,055**	**219,089**	**NIL**	**4,537,420**
Currency Translation Adjustment	(5,176,318)	(3,225,106)	(1,486,342)	(5,620)	(9,893,386)
Effects of Hyperinflation	6,994,636	4,468,449	2,074,058	7,915	13,545,058
Balance –beginning of Year	**9,703,838**	**6,188,736**	**2,957,597**	**11,029**	**18,861,200**
Balance – end of Year	**14,906,432**	**8,366,134**	**3,764,402**	**13,324**	**27,050,292**

(a) See Chita Valley Project section “Mining rights” discussed previously and note 6 to the Consolidated Financial Statements.

Project expenditures for the year ended December 31, 2021 are as follows:

Year ended December 31, 2021	**Chita ($)**	**Brechas Vacas ($)**	**Minas de Pinto ($)**	**Other ($)**	**Total ($)**
Acquisition costs (a)	NIL	1,118,087	73,419	NIL	1,191,506
Drilling	1,362,170	1,221,753	1,608	NIL	2,585,531
Road	37,063	73,580	33,771	NIL	144,414
Assays	192,881	194,368	1,088	NIL	388,337
Labour and Technical Fees	180,808	288,950	33,218	NIL	502,976
Vehicles and Equipment	32,436	48,446	2,778	NIL	83,660
Travel and Lodging	18,476	11,306	467	NIL	30,249
Project Management	(1,170,447)	(1,370,247)	(65,481)	2,606	(2,603,569)
Current Expenditures	**653,387**	**1,586,243**	**80,868**	**2,606**	**2,323,104**
Currency Translation Adjustment	(1,439,718)	(803,538)	(472,311)	(1,524)	(2,717,091)
Effects of Hyperinflation	3,007,285	1,722,405	986,296	3,365	5,719,351
Balance –beginning of Year	**7,482,884**	**3,683,626**	**2,362,744**	**6,582**	**13,535,836**
Balance – end of Year	**9,703,838**	**6,188,736**	**2,957,597**	**11,029**	**18,861,200**

(a) See Chita Valley Project section "Mining rights" discussed previously and note 6 to the Consolidated Financial Statements.

Chita Valley Project (Chita – Brechas Vacas – Minas de Pinto)

During the year ended December 31, 2022, the Company spent $4,537,420 on the continued exploration of the Chita Valley Project, an increase of $2,216,922 when compared to expenditures of $2,320,498 during the year ended December 31, 2021. As explained previously, on November 1, 2019, the Company signed an Earn-In Agreement with South32 to explore the Chita Valley Project. Under the agreement, South32 has the option to earn up to a 70% interest in the Chita Valley Project upon contribution of exploration funds and a PFS. To maintain the option in good standing South32 must contribute minimum exploration funding of $14 million over a 4-year option period. If South32 exercises its earn-in right it may elect to acquire a 50.1% direct interest in the Company's Argentinean operating subsidiary Minera Sud Argentina S.A. ("MSA") at the end of the earn-in period by paying an additional C$14 million to Minsud, or by funding a PFS, with a minimum spend of C$41 million, which would entitle it to elect to increase its 50.1% direct interest in MSA to 70%.

During the 2020, 2021 and 2022 fiscal years, the Company successfully conducted and executed the "Approved Program and Budget" as defined in the Earn-in Agreement. The first year of the agreement covered 14 months, commencing on November 1, 2019, and ending on February 28, 2021; the second year covered 12 months commencing on March 1, 2021 and ending on February 28, 2022; the third year covered 12 months commencing on March 1, 2022 and ending on February 28, 2023. On February 3, 2023, South32 announced its intention to fund the Year 4 exploration budget and program totaling $9.1 million.

• Drilling program: During fiscal 2021, between the months of May and December, the Company completed its Phase III drilling program that comprised a total of 11,969 meters DDH within twenty-four (24) drillholes. On May 6, 2022, the Company commenced Phase IV drilling program that comprises a total of 26,000 m, as detailed previously in this MD&A. As of the date of this MD&A, twenty eight (28) drillholes were completed to date this year, encompassing a total of 19,058m.

• Mineralogical studies: During fiscal 2021, the company hired a professional from Argentina to prepare a report of Chalcography, Microsonde and Petrography on 19 selected samples. During the year ended December 31, 2022, the company hired a laboratory from Colombia to complete chalcographic and petrographic studies.

• Baseline studies: The Company performs quarterly surveys to analyze the characteristics of the water, the stream water flow volume and laboratory assays at several points along the Chita Valley. During the years 2021 and 2022, the company also completed a Flora & Fauna survey for summer and spring seasons, together with limnology studies to analyze biological characteristics of the water. During 2021, the company constructed a Parshall water flowmeter to have continuous information about water flow. During 2022, the company completed an archeological survey at Brechas Vacas property.

• Community Relationship Program: Since 2020, the Company has carried out a community relations program designed to guide the interactions with the local communities and other stakeholders to establish and maintain the social license required to operate the project from the exploration stage towards the prefeasibility of the Chita Valley project. The Community Relationship Program is mainly based on key issues such as water, health, and education. The Company hired a community relations consultant and contributed medical equipment to the local medical centers at Bella Vista and Villa Iglesia. During the year ended December 31, 2021, the Company signed a Collaboration Agreement with the Municipality of Iglesia and the Hydraulic Department, to contribute 5,350 litres of fuel for the repair of the historic Chita water channel to help improve irrigation at farms located in the nearby villages.

• Legal measurement (Mensura): During January 2021, the Company completed the legal measurements of the boundaries of Chita IV, V and VI which have been filed at the Ministry of Mines and are pending approval.

• Acquisition of Fortuna I property: On June 26, 2020, the Company signed an agreement with Teck Argentina Ltd. to acquire the property Fortuna I, located at the north end of the Brechas Vacas property. The agreement provides that the Company funds the costs to recover the property including all outstanding mining canons and related legal fees, and grants to Teck Argentina Ltd. a 2% NSR on future production on Fortuna I property. A half of such NSR (1%) can be purchased at any time at a cost of US$ 600,000.

• Minas de Pinto trust: On May 6, 2020, MSA entered into a Transfer Agreement, pursuant to which MSA acquired an additional 15% interest in the Minas de Pinto Trust in exchange for aggregate cash payments of US$400,000, payable in eight semi-annual payments of US$50,000 starting on May 7, 2020 until November 7,

2023. Furthermore, the parties entered a second addendum to the Option, which would allow MSA to purchase the remaining 35% interest in the Minas de Pinto Trust by paying US$935,000 on or before April 7, 2024. As of the date of this MD&A, the Company has paid the first six installments for a total amount of US$300,000 ($392,430).

• Equipment and infrastructure: During fiscal 2022, several fixed asset investments have been made at the Chita camp. As of the date of this MD&A, the Company has completed the purchase of 2 new 4WD vehicles, an automated drill-core cutting machine to increase safety and efficiency in operations, an x-ray fluorescence (XRF) analyzer, a 50Kva power generator, a satellite internet repeater, a 55m^2 office module container fully equipped with kitchen and full toilet, and a biodigester system to ecologically process the effluents reducing environmental impact. Also, during this period maintenance work has been completed at the Chita warehouse to increase safety and enhance operations on site. An additional maritime container was purchased and conditioned to be used as deposit at the Chita camp.

• Brechas Vacas option exercise: On June 21, 2021, MSA made a cash payment of US$120,000 ($147,576) pursuant to the option agreement. On October 7, 2021, the Company through MSA, has exercised its option to purchase the remaining 50% beneficial interest in the Brechas Vacas Trust, and has become the indirect owner of 100% of the Brechas Vacas property. MSA has paid the required sum of US$735,000 (CAD$960,727) to the Brechas Vacas owners representing the price to fully exercise the option, which was settled in Argentinean pesos.

• Mining canons: The Company is up to date with its mining canon obligations, which are the amounts to be paid to maintain its mining rights. During the year ended December 31, 2022, the Company paid its mining canon obligations for the first quarter of fiscal 2023 for all of its mineral properties.

• Mina Gabriela: Under the terms of the Transfer Agreement singed, Minsud acquired 100% of Mina Gabriela's rights for a cash purchase price of US$ 30,000. The "Mina Gabriela'' property has an area of 30 hectares which is within and overlapping the Chita property.

• Trust Agreement with Landowners: On December 5, 2022, the Company signed a "Trust Agreement" with landowners in the Chita Valley Project. The Trust Agreement grants the purchase option of the property for a cash payment of US$1,500,000 (the "Purchase Price") during a term of 15 years, which can be paid at any time during the life of the Trust Agreement. The Purchase Price turns into an obligation if an "Acceleration Event" occurs, such as a confirmation by the Ministry of Mining of the Province of San Juan approving the feasibility study of the Chita Valley Project. To maintain the purchase option in good standing, the Company must comply with the following staggered payment (the "Maintenance Payments"): from year one to year five, annual payments of US$20,000; from year six to year ten, annual payments of US$40,000; and from year eleven to year fifteen, annual payments of US$100,000. The Maintenance Payments are in addition to the Purchase Price and are required until the Company's satisfaction of the Purchase Price. After the end of each five-year tranche, the Company must demonstrate to the trustee and Trustors a minimum annual investment of US$1,000,000 under the "Mineral Properties" asset, as disclosed in its annual consolidated financial statements.

OPERATING ACTIVITIES AND FINANCIAL PERFORMANCE

During the year ended December 31, 2022, the Company incurred total expenses of $3,609,621 representing an increase of $2,150,949 when compared to expenses of $1,458,672 for the year ended December 31, 2021.

Cash expenses incurred by the Company of $711,941 for the year ended December 31, 2022, represent an increase of $256,837 when compared to cash expenses of $455,104 for the year ended December 31, 2021. The increase is a result of increased professional fees and general and administration expenses.

Professional and regulatory fees include management salaries and fees paid for the services of the CEO and CFO, as well as general accounting, audit, legal, transaction costs and regulatory fees. The Company incurred professional and regulatory fees of $574,794 during the year ended December 31, 2022. These expenses represent an increase of $203,661 when compared with expenses of $371,133 incurred during the year ended December 31, 2021. The increase is mainly related to an increase in CEO fees and financial consulting fees during the year ended December 31, 2022.

The Company incurred marketing and communications expenses of $31,170 during the year ended December 31, 2022, which represents an increase of $25,443 when compared to expenses of $5,727 incurred during the year ended December 31, 2021.

The Company incurred general and administrative expenses of $57,075 during the year ended December 31, 2022, which represents an increase of $17,986 when compared to expenses of $39,089 incurred during the year ended December 31, 2021.

The Company incurred taxes on ownership of MSA of $48,902 during the year ended December 31, 2022, which represents an increase of $9,747 when compared with the expenses $39,155 incurred during year ended December 31, 2021. This tax represents 0.5% of the net assets held by a foreign company on an Argentinean subsidiary.

The Company incurred the following non-cash expenses that contributed to the net loss for the year ended December 31, 2022, and 2021:

- Expenses related to share-based payments during the year ended December 31, 2022, were $472,651, an increase of $454,054 when compared to share-based payments of $18,597 for the year ended December 31, 2021. During the year ended December 31, 2022, the Company granted 3,060,000 stock options to certain directors and officers of the Company. During the year ended December 31, 2021, the Company granted 539,000 stock options to certain officers of the Company. The fair value of these stock options will be expensed as share-based compensation expense over the vesting period of the stock options.

- As a result of Argentina's hyper-inflationary economy and the accounting of it, the Company incurred losses of $1,904,426 during the year ended December 31, 2022, because of the application of inflation factors to the net monetary assets (asset less liabilities) of MSA during the year. The Company incurred a loss of $430,956 during the year ended December 31, 2021. Argentina has been designated a hyper-inflationary economy since July 1, 2018.

- Finally, the significant currency translation adjustments of $2,436,403 resulted in an overall comprehensive loss of $1,178,409 during the year ended December 31, 2022. The currency translation adjustments were due to fluctuations in the value of the Argentine Peso against the US Dollar as well as the fluctuation of the Canadian Dollar against the US Dollar. Currency translation adjustments of $2,086,205 resulted in an overall comprehensive loss of $74,879 incurred during the year ended December 31, 2021.

It should be noted that, historically, the Company's foreign currency translation in accordance with IFRS has had a negative impact on the Canadian Dollar values of the MSA net assets, and the Company has reported losses related to the foreign currency translation on its consolidated statement of comprehensive loss. This negative impact is the result of the habitual trend in Argentina to devalue its currency due to high internal inflation rates. According to the Central Bank of Argentina, the inflation rate for 2022 was 94.8% (inflation for 2021 was 51%). The currency translation adjustments discussed above primarily relate to amounts capitalized as mineral properties. The impact of the translation on the Company's liquid assets was minimal.

SELECTED QUARTERLY INFORMATION

The following table shows selected financial information related to the results of the Company´s most recent periods. The information contained in this table should be read in conjunction with the Company´s Financial Statements.

Fiscal Year	2022				2021			
For the quarters ended	Dec	Sep	Jun	Mar	Dec	Sep	Jun	Mar
	$							
Net Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net loss for the period	(1,513,349)	(895,418)	(728,963)	(477,083)	(2,006,646)	(59,049)	(22,728)	(72,661)
Comprehensive Income (Loss) for the period	(1,702,324)	372,256	265,702	(114,044)	(1,002,889)	585,504	385,684	(43,178)
Income (Loss) per share, basic and diluted	(0.02)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Income (Loss) per share from continuing operations, basic and diluted	(0.02)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

Factors affecting quarterly results

Fluctuations in quarterly results are primarily caused by the continuation of the effects of Hyperinflation during fiscal 2022, and fluctuations of the Argentine Peso against the Canadian Dollar as usually calculated as Currency Translation Adjustment (CTA).

LIQUIDITY AND CAPITAL RESOURCES

The Company had working capital of $2,654,041 as at December 31, 2022, compared to working capital of $2,089,745 as at December 31, 2021. As at December 31, 2022, the Company held cash of $2,856,838 versus $2,608,689 as at December 31, 2021.

On January 9, 2023, the Company granted 2,450,000 incentive stock options under the Company's stock option plan to certain officers, directors, and employees. The stock options are exercisable at a price of $0.30 per share, all of which shall vest as to one-quarter on January 9, 2023, one-quarter on June 9, 2023, one-quarter on January 9, 2024, and one-quarter on June 9, 2024, and shall be exercisable for a period of five years from the date of issuance.

On February 11, 2022, the Company granted 3,060,000 incentive stock options under the Company's stock option plan to certain officers and directors. The stock options are exercisable at a price of $0.30 per share, all of which shall vest as to one-quarter on February 11, 2022, one-quarter on August 11, 2022, one-quarter on February 11, 2023, and one-quarter on August 11, 2023 and shall be exercisable for a period of five years from the date of issuance.

On February 12, 2021, the Company granted 539,000 incentive stock options under the Company's stock option plan to certain officers. The stock options are exercisable at a price of $0.15 per share, all of which shall vest as to one-quarter on February 12, 2021, one-quarter on August 12, 2021, one-quarter on February 12, 2022, and one-quarter on August 12, 2022 and shall be exercisable for a period of five years from the date of issuance.

On March 26, 2021, Diego Bauret resigned his position as Chief Operating Officer of MSA, resulting in the expiry of 92,250 of the options discussed above. During the period ended March 31, 2022, the remaining 30,750 stock options issued to Mr. Bauret expired unexercised.

Since inception, the Company has closed fourteen non-brokered private placements and, in November 2019, signed an Earn-in Agreement with South32 to finance exploration at the Chita Valley Project. Management is also looking for new potential investors with long-term vision to support its exploration of the Rosita Project.

In the long term, the Company is dependent on obtaining future financing for the exploration and development of its properties and for any new projects. The Company's ability to obtain future financings may be affected by several factors including the sustainability of commodity prices and the economic recovery of worldwide capital markets for mining businesses.

Share Capital

As at the date of this MD&A the Company´s share position consists of:

Shares outstanding	163,890,694
Options outstanding	7,326,000
Warrants	-
Put and Call Option	790,000
TOTAL	**172,006,694**

Stock Options Outstanding

As at the date of this MD&A the following options are issued and outstanding:

Exercise Price	Options Vested	Options Unvested	Remaining Contractual Life (Years)	Expiry Date
$0.10	1,400,000	-	2.24	July 16, 2025
$0.15	416,000	-	2.82	February 12, 2026
$0.30	2,295,000	765,000	3.81	February 11, 2027
$0.30	612,500	1,837,500	4.72	January 9, 2028
	4,723,500	1,530,000	3.76	

During the year ended December 31, 2022, 30,750 stock options expired un-exercised.

Warrants Outstanding

As at the date of this MD&A the Company did not have any warrants issued and outstanding.
During the year ended December 31, 2021, 4,180,000 warrants were exercised for proceeds of $627,000 and 5,349,000 warrants expired un-exercised.

Put and Call Option

Upon completion of the Minsud Transaction, the Company entered into a put and call option agreement with Compañía de Tierras Sud Argentino S.A. in connection with the 542,600 shares of MSA not acquired by the Company (which represented 5% of the total number of issued and outstanding shares of MSA at the time of acquisition) which included an irrevocable covenant to not divest or encumber such shares. The put and call option agreement allows the remaining 542,600 shares of MSA to be exchanged for 790,000 common shares of the Company at the option of either party, at any time.

COMMITMENTS AND CONTINGENCIES

Mineral Property Commitments

Minas de Pinto property: On May 4, 2020, MSA entered into a Transfer Agreement, pursuant to which MSA acquired from the Minas de Pinto's owners an additional 15% interest in the Minas de Pinto Trust in exchange for aggregate cash payments of US$400,000, payable in eight semi-annual payments of US$50,000 starting on May 7, 2020 until November 7, 2023. Furthermore, the parties entered a second addendum to the Option, which would allow MSA to purchase the remaining 35% interest in the Minas de Pinto Trust by paying US$935,000 on or before April 7, 2024.

Further information is disclosed in note 6 of the Financial Statements and in the PRINCIPAL BUSINESS OF THE COMPANY section in this MD&A.

Services agreement with the Company's Vice-President (Exploration)

On January 25, 2021, the Company and the Company's Vice-President (Exploration) signed a consulting agreement for a fixed monthly fee of US$3,500 for the twelve-month period ending January 25, 2022. Either party can terminate the agreement without consequence by giving 60 days advance notice to the other party. On January 25, 2022, the service agreement with the Vice-President (Exploration) was renewed for a monthly fee of US$3,500 ending January 25, 2023.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2022 and 2021, the Company incurred the following related party transactions:

i) Transactions

a. A total salary of $324,929 (2021 - $206,724) was charged by Ramiro Massa, the President and CEO of the Company.

b. A total of $48,500 (2021 - $41,000) of accounting and regulatory compliance fees and $24,000 (2021 - $21,000) of CFO fees were charged by Forbes Andersen LLP, an accounting firm in which Mike Johnston, the Company's CFO and Corporate Secretary, is a partner.

c. A total of $54,594 (2021 - $49,320) of professional fees and $1,025 (2021 - $505) of mineral property exploration expenses were charged by Mario A. Alfaro Cortes, the Company's current Vice-President (Exploration). These amounts have been capitalized to mineral properties.

ii) Year-end Balances

a. As at December 31, 2022, accounts payable and accrued liabilities included $74,351 payable to Ramiro Massa, the President and CEO of the Company.

b. As at December 31, 2022, accounts payable and accrued liabilities included $33,915 payable to Forbes Andersen LLP, an accounting firm in which Mike Johnston, the Company's CFO and Corporate Secretary, is a partner.

All related party transactions were in the normal course of operations. Amounts owing to related parties are non-interest bearing and have no repayment terms.

OFF-BALANCE SHEET TRANSACTIONS

The Company currently has not entered into any off-balance sheet arrangements.

BASIS OF PRESENTATION

The Company's Financial Statements have been prepared in accordance with IFRS as issued by the IASB.

The Company has not yet established whether its mineral properties contain resources or reserves that are economically recoverable. The recovery of amounts capitalized as mineral properties is dependent upon the discovery of economically recoverable resources or reserves, the ability of the Company to arrange appropriate financing to complete the development of properties, and upon future profitable production, or alternatively, upon the Company's ability to dispose of its interests on an advantageous basis, all of which are uncertain.

The Company's ability to continue as a going concern is dependent upon, but not limited to, its ability to raise financing necessary to fund its exploration programs, maintain its mineral properties concession rights and exploration agreements with purchase options, discharge its liabilities as they become due and generate positive cash flows from operations.

The Financial Statements are prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of the business. Accordingly, the Financial Statements do not give effect to adjustments that may be necessary, should the Company be unable to continue as a going concern. If the going concern assumption is not used, then the adjustments required to report the Company's assets and liabilities at liquidation values could be material to the Financial Statements.

ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, and expenses. Critical accounting estimates used in the preparation of the Financial Statements are related to the recoverable value of the Company's mineral properties, as well as the value of stock-based compensation. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The Company records all of its property acquisition costs and direct exploration costs as an asset until the properties are placed into production, sold, or abandoned, at which time the costs will either be amortized on a units-of-production basis or fully charged to operations. Management reviews the carrying value of the mineral properties for impairment or permanent declines in the value of the property, such as abandonment, and the related project balances are then written off.

Estimates related to share-based payments include the volatility of the Company's stock price, as well as when stock options may be exercised. The timing of exercise of stock options is out of the Company's control and depends on various factors including the market value of the Company's shares and the financial objectives of the holders of stock options.

RISK FACTORS

There are many risk factors facing companies involved in the mineral exploration industry. Risk management is an ongoing exercise upon which the Company spends a substantial amount of time. While it is not possible to eliminate all the risks inherent to the industry, the Company strives to manage these risks, to the greatest extent possible. The following risks are most applicable to the Company but may not be the only risks faced by the Company. Risks and uncertainties not presently known by the Company or which are presently considered immaterial may also adversely affect the Company's business, projections, results of operations and/or conditions (financial or otherwise).

Industry and Mineral Exploration Risk

Mineral exploration is highly speculative in nature, involves many risks and frequently is non-productive. There is no assurance that the Company's exploration efforts will be successful. At present, the Company's projects do not contain any proven or probable reserves. Success in establishing reserves is a result of a number of factors, including the quality of the project itself. Substantial expenditures are required to establish reserves through drilling, to develop processes to extract the resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

Because of these uncertainties, no assurance can be given that planned exploration programs will result in the establishment of mineral resources or reserves. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors beyond the Company's control. 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, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. The Company may be subject to risks which could not reasonably be predicted in advance. Events such as labour disputes, environmental issues, natural disasters or estimation errors are prime examples of industry related risks. The Company attempts to balance this risk through ongoing risk assessments conducted by its technical team.

Mineral Resource Estimates

The Company's reported mineral resources (the "**Mineral Resources**") are estimations only. No assurance can be given that the estimated Mineral Resources will be recovered. By their nature, Mineral Resource estimations are imprecise and depend, to a certain extent, upon statistical inferences, which may ultimately prove unreliable because, among other factors, they are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Mineral Resource estimations may require revision (either up or down). There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. There can be no assurance that recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions. In particular, factors that may affect Mineral Resource estimates include:

- changes in interpretations of mineralization geometry and continuity of mineralization zones;
- input parameters used to constrain the block cave underground mining shapes that constrain the Mineral Resources;
- metallurgical and mining recoveries;
- operating and capital cost assumptions;
- metal price and exchange rate assumptions;
- confidence in modifying factors, including assumptions that surface rights to allow infrastructure to be constructed will be forthcoming;
- delays or other issues in reaching agreements with local or regulatory authorities and stakeholders;
- changes in land tenure requirements or permitting requirements from those discussed in the report; and
- changes in the environmental regulations or laws governing the property. Changes in key assumptions and parameters could result in a restatement of Mineral Resource estimates.

Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability and there is no assurance that they will ever be mined or processed profitably. Due to the uncertainty which may attach to Mineral Resources, there is no assurance that all or any part of measured or indicated Mineral Resources will ever be converted into Mineral Reserves. Any material reductions in estimates of Mineral Resources could have a material adverse effect on the Company's results of operations and financial condition.

Geopolitical Risk

The Company may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Company and may adversely affect its business.

Economic Instability in Argentina

All of the Company's mineral properties are located in Argentina. There are risks relating to an uncertain or unpredictable economic environment in Argentina. In December 2019, the Argentinian government reinstated currency controls previously lifted, which, among other impacts, restricts the ability of companies and its citizens to obtain foreign currencies, in each case requiring Central Bank approval. The government has also reversed corporate tax rate reductions previously introduced by the previous opposition government.

Foreign Operations Risk

The Company conducts its exploration activities in Argentina. The Company's operations in Argentina expose the Company to risks that may not otherwise be experienced if all operations were located in Canada. The risks include, but are not limited to, illegal mining, changing political conditions, fluctuations in currency exchange rates, expropriation or nationalization without adequate compensation, changes to royalty and tax regimes, high rates of inflation, labour unrest and difficulty in understanding and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties, as well as the revocation or suspension of previously issued mining permits. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's existing assets and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities. Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. There can be no assurance that industries, which are deemed of national or strategic importance in countries in which the Company has assets, including mineral exploration, will not be nationalized. There is a risk that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company. Non-compliance with applicable laws, regulations and permitting requirements (including allegations of such) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed or causing the withdrawal of permits or mining licenses, and the imposition of corrective measures requiring material capital expenditure or remedial action resulting in materially increased cost of compliance, reputational damage and potentially impaired ability to secure future approvals and permits. The Company may be required

to compensate third parties for loss or damage and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Liquidity Risk

Liquidity risk is the risk that the Company will be unable to meet the obligations associated with its working capital. The Company has sufficient funds to settle its short-term working capital requirements. The Company's ability to manage liquidity risk in the future will be dependent on, but not limited to, its ability to raise financing necessary to fund its exploration programs, defend its mineral properties concession rights, discharge its liabilities as they become due and generate positive cash flows from operations.

Sources of Funds and Share Price Fluctuation Risks

The only sources of funds presently available to the Company are the sale of equity/debt capital or through a Partner Agreement. There is no assurance that such sources will continue to be available, in the short term or at all. Failure to obtain additional financing on a timely basis could cause the Company to reduce or terminate its proposed operations and the loss of some or all of the value of an investment in the securities. Securities markets have at times in the past experienced a high degree of price and volume volatility, and the market price of securities of many companies, particularly those considered to be exploration stage companies such as the Company have experienced wide fluctuations in share prices which have not necessarily been related to their operating performance, underlying asset values or prospects. There can be no assurance that these kinds of share price fluctuations will not occur in the future, and if they do occur, how severe the impact may be on the Company's ability to raise additional funds through equity issues and the corresponding effect on the Company's financial position.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Tax

The Company runs its business in different countries and strives to run its business in as tax efficient a manner as possible. The tax systems in certain of these countries are complicated and subject to changes. For this reason, future negative effects on the result of the Company due to changes in tax regulations cannot be excluded. Repatriation of earnings to Canada from other countries may be subject to withholding taxes. The Company has no control over withholding tax rates.

Operating Hazards Risks

Exploration for natural resources involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of mineral resources, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides, weather conditions and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in extraction operations and the conduct of exploration programs. The Company's exploration activities will be subject to the availability of third-party contractors and equipment. There are also physical risks to the exploration personnel. The Company maintains insurance for amounts which it considers adequate, however, the nature of these risks is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable against, or the Company might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Pandemic Diseases

The Company's operations are subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases. These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's exploration operations to operate as intended due to shortage of skilled employees, shortages in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, the declines in the price of precious metals, capital market volatility, or other unknown but potentially significant impacts. Given the fact that the Company's properties are located in Argentina, there are potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infection disease outbreak. As such, both catastrophic outbreaks as well as regional and local outbreaks can have a significant impact on the Company's operations. The Company may not be able to accurately predict the quantum of such risks. In addition, the Company's own operations are exposed to the infectious disease risks noted above and as such the Company's operations may be adversely affected by such infectious disease risks. Accordingly, any outbreak or threat of an outbreak of a virus or other contagions or epidemic disease could have a material adverse effect on the Company, its business, results from operations and financial condition.

COVID-19

The Company highlights that it continues to face risks related to COVID-19, which could significantly disrupt its operations and may materially and adversely affect its business and financial conditions. The extent to which COVID-19 will continue to impact the Company's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of COVID-19 globally could materially and adversely impact the Company's business including without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, supply chain delays, restrictions to its drill program and/or the timing to process drill and other metallurgical testing, and other factors that will depend on future developments beyond the Company's control, which may have a material and adverse effect on the its business, financial condition and results of operations. Since the outbreak of COVID-19 in March 2020, the Company has focused its efforts to safeguard the health and well-being of its employees, consultants and community members to ensure their safety during the global COVID-19 pandemic. The Company follows stringent COVID-19 protocols and is abiding by local and national public health guidelines in place in Canada and Argentina, which include personnel health screening, attendance monitoring, physical distancing measures, use of personal protective equipment, enhanced cleaning and disinfection procedures, and active case monitoring and reporting protocols. The impacts of the COVID-19 pandemic may also include disruptions in its exploration work and increased costs resulting from the Company's efforts to mitigate the impact of the COVID-19 pandemic on operations. A material adverse effect on the Company's employees, suppliers and/or partners could have a material adverse effect on the Company.

The transmission of COVID-19 and efforts to contain its spread have resulted in significant disruptions to business operations, supply chains and customer activity and demand (across all sectors), service cancellations, reductions and other changes, and quarantines, as well as considerable general concern and uncertainty. The overall severity and duration of COVID-19-related adverse impacts on the Company's business will depend on future developments which cannot currently be predicted, including directives of government and public health authorities, the status of labour availability and the ability to staff exploration work. Even after the COVID- 19 outbreak has subsided, the Company may continue to experience material adverse impacts to its business as a result of the global economic impact, including any related recession. The Company will continue to work actively to monitor the situation and implement further measures as required to mitigate and/or deal with any repercussions that may occur as a result of the COVID-19 outbreak.

Current Global Financial Conditions

The economic viability of the Company's business plan is impacted by the Company's ability to obtain financing. The economic conditions and outlook of the jurisdictions in which the Company's projects reside, and more generally global economic conditions, may impact the general availability of financing through public and private debt and equity markets, as well as through other avenues. Significant political, market, economic, natural or manmade events may have wide-reaching effects and, to the extent they are not accurately anticipated or priced into markets, may result in sudden periods of market volatility and correction. Periods of market volatility and correction may have an adverse impact on economic growth and outlook, as well as lending and capital markets activity, all of which may impact the Company's ability to secure adequate financing on favorable terms, or at all. Most recently, global financial markets experienced a period of correction and increased volatility during the COVID-19 pandemic and the conflict between the Russian Federation and Ukraine, which began in March 2020 and February 2022, respectively, and are ongoing as of the date of this MD&A. As these global events evolve, there is no guarantee that credit market conditions will not worsen. A general risk adverse approach to investing, decreases in consumer spending and increases in the unemployment rate and consumer debt levels, which may become more predominant as a result of market turmoil, may limit the Company's ability to obtain future equity financing. Inability to obtain financing at all, or on acceptable terms, may have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Other events may also result in volatility and disruption to global supply chains, operations, mobility of people, patterns of consumption and service, and financial markets, and therefore potentially have a negative impact on the Company's ability to secure financing on favourable terms, or at all, its access to the project, or its ability to execute its business initiatives, including its field programs. Such events may include catastrophic events, either on a global scale or in the specific jurisdictions where the Company has its projects, and include, but are not limited to, financial crises, such as that which occurred globally in 2008, earthquakes, tsunamis, floods, typhoons, fires, power disruptions, other natural or manmade disasters, terrorist attacks, wars, riots, civil unrest or other conflicts, outbreaks of a public health crises, including epidemics, pandemics or outbreaks of new infectious diseases or viruses, as well as related and attendant events. Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company's operating environment and its operating costs, profit margins and share price. Uncertainty or adverse changes relating to government regulation, economic and foreign policy matters, and other world events have the potential to adversely affect the performance of and outlook for the Canadian and global economies, which in turn may affect the ability of the Company to access financing on favourable terms or at all. The occurrence of negative sentiment or events in the Canadian and broader global economy could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows or prospects.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences, as well as political and social instability. It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any further profitability and result in increasing costs and a decline in the value of the securities of the Company. The Company does not maintain insurance against political risks.

Commodity Price Risk

Mineral prices fluctuate widely and are affected by numerous factors beyond the Company's control such as the sale or purchase of commodities by various central banks, financial institutions, expectations of inflation or deflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, international supply and demand, speculative activities and increased production due to new mine developments, improved mining and production methods and international economic and political trends. The Company's revenues, if

any, are expected to be in large part derived from the extraction of mineral products. As such, the effect of these factors on the price in future product sales, and therefore the economic viability of any of the Company's exploration projects, cannot accurately be predicted. There can be no assurance that the price of any commodities will be such that any of the properties in which the Company has, or has the right to acquire, an interest may be mined at a profit. Further, the prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies.

Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows from the Company's operations will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk with respect to cash balances and transactions as a portion of these amounts are denominated in US dollars and Argentine Pesos. The Company has not entered into any foreign currency contracts to mitigate this risk.

The Company's primary operations are located in Argentina. The Company raises funds in Canadian dollars and pays most of its Argentinean costs in United States Dollars or Argentinean Pesos, and is therefore subject to foreign exchange risk on this payment stream. As the proceeds from financings are often immediately converted to Argentinean Pesos, these cash reserves are subject to foreign exchange risk.

Environmental Risk

Exploration projects or operations are subject to the environmental laws and applicable regulations of the jurisdiction in which the Company operates. Environmental standards continue to evolve, and the current trend is moving toward a longer, more complete and rigid process. The Company reviews environmental matters on an ongoing basis. When appropriate, the Company will make appropriate provisions in its financial statements for any potential environmental liability. However, there is no assurance that existing or future environmental regulation will not materially adversely affect the Company's business, financial condition and results of operations. Environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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, including the Company, 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 violations of applicable laws or regulations.

Community Relations and Public Opposition to Mining Activities

While the Company seeks to operate in a socially responsible manner and believes it has good relationships with local communities in the regions in which it operates, there is no guarantee that its efforts in this respect will mitigate this potential risk. Non-governmental Organizations or local community groups could direct adverse publicity against and/or disrupt the operations of the Company in respect of one or more of its properties, despite the Company's successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have adverse effects on the reputation and financial condition of the Company or its relationships with the communities in which it operates, which could have a material adverse effect on the business, financial condition, results of operations, cash flows or prospects of the Company.

Permits and Licenses Risks

The operations of the Company will require licenses and permits from various governmental authorities. The Company believes it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that the Company will be able to obtain and maintain, at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into

commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operating and activities of the Company and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition and the results of operations of the Company. Obtaining necessary permits, leases and licenses can be a complex, time consuming process and the Company cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Company from proceeding with the development of an exploration project or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or fines, penalties or other liabilities. The Company could also lose its licenses or permits under the terms of its existing agreements.

Title Matters Risk

While the Company has followed and intends to follow standard industry accepted due diligence procedures with respect to title for any mineral claims in which it has or will acquire a material interest, there is no guarantee that title to such properties will not be challenged or impugned. There is no guarantee of title to any of the Company's properties. The Company's properties may be subject to prior unregistered agreements or transfers and may also be affected by undetected defects or the rights of indigenous peoples. Surveys have not been carried out on the Company's mineral properties, and their boundaries and areas could be in doubt. The rules governing mining concessions in Argentina are complex and any failure by the Company to meet requirements would have a material adverse effect on the Company. Any defects in the title to the Company's properties could have a material and adverse effect on the Company. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license.

Option, Joint Venture and Earn In Agreements

The Company has and may continue to enter into option agreements, joint ventures, and/or earn in agreements (collectively "Partner Agreements") as a means of gaining property interests and raising funds. Any failure of any partner to meet its obligations to the Company or other third parties, or any disputes with respect to third parties' respective rights and obligations, could have a negative impact on the Company. The Company may be unable to exert direct influence over strategic decisions made in respect of properties that are subject to the terms of these agreements, and the result may be a materially adverse impact on the strategic value of the underlying properties. Under the terms of such Partner Agreements, in the event a partner decided to cease funding and terminate the Partner Agreement, the Company's business, financial results, and condition may be subject to the material adverse effects.

Competition and Marketability Risks

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

Management Risk

The success of the Company's future business is largely dependent on a relatively small number of key members of management. The loss of any key member could be detrimental if a suitable replacement could not be found at a comparable compensation level.

No Assurance of Profitability

The Company has no history of earnings and due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its common shares or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Possible Dilution to Present and Prospective Shareholders

The Company's plan of operation, in part, contemplates the financing of its business by the issuance of securities 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 shareholders. The Company has sought a joint venture partner to fund the exploration of the Rosita Project. Offering an interest in its Rosita Project to a partner would dilute the Company's interest in the project.

Risk of Legal Proceedings in the Ordinary Course of Business

Due to the nature of its business, the Company may be subject to regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The Company's operations are subject to the risk of legal claims by employees, unions, contractors, lenders, suppliers, joint venture partners, shareholders, governmental agencies or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. Defense and settlement costs can be substantial, even with respect to claims that have no merit. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. The litigation process could, as a result, take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. There can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

Capital Risk Management

The Company defines capital as total equity. The Company manages its capital to ensure that funds are available or are scheduled to be raised to provide adequate funds to carry out the Company's defined exploration programs, meet its ongoing administrative costs, property maintenance and option payments. This is achieved by the Board's review and acceptance of exploration budgets that are achievable using existing resources and the matching and timely release of the next stage of expenditures with the resources made available from private placements or other fundraising. There can be no assurance that the Company will be able to continue using equity capital in this manner.

Credit Risk Management

Credit risk is the risk that one party to a financial instrument will fail to meet its obligations and cause a financial loss. The Company's main credit risk arises from its cash deposits with banks. The Company limits its counterparty risk on its deposits by dealing only with financial institutions with high credit ratings. The Company is also exposed to credit risk on its financial assets.

Compliance with Anti-Corruption Laws

The Company is subject to various anti-corruption laws and regulations such as the Canadian Corruption of Foreign Public Officials Act. In general, these laws prohibit a company and its employees and intermediaries from bribing or making other prohibited payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations by not only its employees, but also by its contractors and third-party agents. The Company's projects are located in Argentina, which is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future anti-corruption regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted. Failure to comply with the applicable legislation and other similar foreign laws could expose the Company and/or its senior management to civil and/or criminal penalties, other sanctions and remedial measures, legal expenses and reputational damage, all of which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, financial condition and results of operations.

HYPERINFLATION

During the year ended December 31, 2022, for Argentina, the IMF reported a 3-year cumulative rate of inflation of 216% as of December 2021 and a forecasted annual rate of inflation of 95% for 2022, which was realized. During the first three months of 2023, inflation in Argentina rose above 100%. Therefore, Argentina remains a hyper-inflationary economy. The functional currency of MSA is the Argentine Peso. The Company has prepared these consolidated financial statements on the historical cost approach within IAS 29.

IAS 29, Financial Reporting in Hyper-Inflationary Economies, ("IFRS 29") applies to the financial statements of an entity whose functional currency is the currency of a hyperinflationary economy. The designation of an economy as hyperinflationary involves the assessment of several factors and requires the Company to make certain estimates and judgments, such as the assessment of historic inflation rates and anticipation of future trends. Changes in such estimates may significantly impact the carrying value of the Company's non-monetary assets or liabilities, and results of operations that are subject to hyperinflationary adjustments, and the related gains and losses with the consolidated statements of income (loss) and comprehensive income (loss).

To measure the impact of inflation on its consolidated financial position and results, the Company has elected to use the Wholesale Price Index (Indice de Precios Mayoristas or "IPIM") for periods up to December 31, 2016, and the Retail Price Index (Indice de Precios al Consumidor or "IPC") thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE").

As a result of the change in the IPC during the year, the Company recognized a net expense of $1,904,426 (2021 – $430,956), to adjust transactions recorded during the year into a measuring unit current as of December 31, 2022. The level of the IPC at December 31, 2022 was 1,134.59 (December 31, 2021 – 582.46), which represents an increase of 95% over the IPC at December 31, 2021.

The application of hyperinflation accounting required restatement of the Argentine subsidiary's nonmonetary assets and liabilities, shareholders' equity, and comprehensive loss items from the transaction date when they were first recognized into the current purchasing power which reflects a price index current at the end of the reporting period before being included in the Financial Statements. The resulting financial information is more meaningful, relevant and representative of a measuring unit current as of the reporting date. To measure the impact of inflation on its financial position and results, the Company has elected to use price indices that have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE").

QUALIFIED PERSONS

The scientific and technical data included in this MD&A has been reviewed by Mr. Mario Alfaro, Professional Geoscientist and Vice President (Exploration) of the Company and a geological consultant. Mr. Alfaro is a Qualified Person as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards. However, due to inherent limitations, internal control over financial reporting may not prevent or detect all misstatements or fraud. There have not been any changes in the Company's disclosure controls and procedures and the internal control over financial reporting that occurred during the year ended December 31, 2022 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations of controls and procedures:

The Company's management believes that any disclosure controls and procedures or internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any control system also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com