NGEX MINERALS LTD.

2021 SECOND QUARTER REPORT

Management's Discussion and Analysis
and
Condensed Interim Consolidated Financial Statements

For the Six Months Ended June 30, 2021
(UNAUDITED)

NGEX MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE AND SIX MONTHS ENDED JUNE 30, 2021
(Amounts in Canadian Dollars unless otherwise indicated)

The following management's discussion and analysis ("MD&A") of NGEx Minerals Ltd. ("NGEx Minerals" or the "Company") should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2021 and related notes therein. The financial information in this MD&A is reported in Canadian dollars unless otherwise indicated and is derived from the Company's condensed interim consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements, including IAS 34, *Interim Financing Reporting*. The effective date of this MD&A is August 27, 2021. Additional information about the Company and its business activities is available on SEDAR at www.sedar.com and the Company's website www.ngexminerals.com.

NGEx Minerals was incorporated on February 21, 2019 under the Canada Business Corporations Act in connection with a plan of arrangement to reorganize the business of Josemaria Resources Inc. ("Josemaria"), which was completed on July 17, 2019 (the "Josemaria Arrangement"). Accordingly, certain comparative information presented in this MD&A has been prepared on a continuity of interest basis of accounting, which requires that prior to July 17, 2019, the assets, liabilities and results of operations and cash flows of NGEx Minerals be on a 'carve-out' basis from the consolidated financial statements and accounting records of Josemaria, in accordance with the financial reporting framework specified in subsection 3.11(6) of National Instrument 52-107, *Acceptable Accounting Principles and Auditing Standards*, for carve-out financial statements. As the carve-out entity did not operate as a separate legal entity prior to July 17, 2019, the financial position, results of operations and cash flows do not necessarily reflect the financial position, results of operations and cash flows had the carve-out entity operated as an independent entity during the comparative periods presented.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

CORE BUSINESS

NGEx Minerals is a mineral exploration company with current exploration projects in Argentina and Chile. While the Company currently holds copper-gold and gold projects in South America, going forward it may also consider other jurisdictions and commodities with an emphasis on the quality and value-creation potential of each opportunity rather than a strict commodity or geographic focus.

The Company's current flagship asset is its large Los Helados copper-gold deposit, located in Region III of Chile. The Company is the majority partner and operator of the Los Helados Project, which is subject to a Joint Exploration Agreement with its partner, Nippon Caserones Resources Co. Ltd. ("NCR"). NCR became the Company's partner on April 1, 2020 when Pan Pacific Copper ("PPC") transferred its interest in Los Helados to NCR. NCR is a subsidiary of JX Nippon Mining and Metals Corporation, a Tokyo-based mining and smelting company that also owns the Caserones Mine, located approximately 12 km from Los Helados.

The Company's strategy is to create value for its shareholders through prudent management and deployment of its capital resources, by expanding and increasing the quality of its mineral resources through successful exploration and acquisitions and by advancing the engineering and other studies that are required to prepare its projects for eventual development by the Company and its partners or by third parties. The overall objective is to position the Company as a top tier mineral exploration-development investment opportunity.

The Company has a strong management team and board with extensive experience in the resource sector, particularly in Chile and Argentina, where the Company's current exploration projects are located. The board and management team have an appropriate mix of geological, engineering, financial, and business skills to advance the Company's projects and to generate value for its shareholders.

The Company's most recent Mineral Resource estimate for the Los Helados Project, with an effective date of April 26, 2019, is summarized in the following table:

Los Helados Mineral Resource (0.33% CuEq Cutoff)								
	Tonnage	**Resource Grade**				**Contained Metal**		
Class	**(million tonnes)**	**Cu (%)**	**Au (g/t)**	**Ag (g/t)**	**CuEq (%)**	**Cu (billion lbs)**	**Au (million oz)**	**Ag (million oz)**
Indicated	2,099	0.38	0.15	1.37	0.48	17.6	10.1	92.5
Inferred	827	0.32	0.10	1.32	0.39	5.8	2.7	35.1

The key assumptions, parameters, and methods used to estimate the mineral resources are contained in the 43-101 technical report for the project, entitled *"Technical Report on the Los Helados Porphyry Copper-Gold Deposit, Chile"*, dated August 6, 2019 and authored by F. Devine, P.Geo., G. Zandonai, RMCMC, and G. Di Prisco, P.Geo. This report is available on the Company's website at www.ngexminerals.com or under the Company's profile at www.sedar.com.

The Company's common shares are listed on the TSX Venture Exchange under the symbol "NGEX".

Q2 2021 OPERATING HIGHLIGHTS AND OUTLOOK

During the second quarter of 2021, the Company continued its business development initiatives, with the objective of adding a quality asset to complement its current exploration portfolio. As of the date of this MD&A, no discussions with counterparties have progressed to the execution of contractual agreements, and the Company continues to be patient and diligent in its search for its next cornerstone asset. While at any given time discussions and activities may be in progress on a number of these potential acquisition targets, there is no assurance that these corporate activities will ever progress to the stage where a potential acquisition might be successfully completed.

In addition, during the second quarter of 2021, the Company began planning a field and drill program at its Valle Ancho Project, located in the Argentine Province of Catamarca. The Company is party to an option agreement with the Province of Catamarca, whereby it may earn a 100% interest in Valle Ancho by making US$8.2 million in total project expenditures by the end of 2022. As of the date of this MD&A, approximately US$6.5 million remains to be spent on the earn-in, which the Company intends to meet with an exploration campaign commencing in the third quarter of 2021. The 2021/2022 campaign will include airborne geophysics as well as diamond drilling to test several targets including following up on unverified, historical drill intersections from the 1990's, including 62 metres at 1.0 g/t gold and 108 metres at 1.0 g/t gold.

The Valle Ancho Project consists of a significant land package, covering approximately 1,000 km^2 of underexplored and highly prospective ground, located on the Argentine side of Chile's renowned Maricunga Gold Belt. An initial exploration program was undertaken at Valle Ancho during the 2019/2020 field season, which consisted of a review of historical data, mapping and surface sampling, and the undertaking of an airborne geophysical survey over the project area to identify, develop and prioritize targets for further evaluation. The 2019/2020 field program was successful in outlining a number of targets for further work including: two large targets with outcropping porphyry copper mineralization, two targets with outcropping epithermal gold mineralization; and a copper skarn target.

As the Company continues to monitor developments with respect to COVID-19, both globally and within its operating jurisdictions, it may implement changes to its business as may be deemed appropriate to mitigate any potential impacts to its business and its employees, contractors, visitors, and stakeholders (collectively, "Stakeholders"). Such changes may include, but are not limited to, temporary closures of the Company's project sites or offices, and deviations from the timing and nature of previous operating plans. Moreover, sustained COVID-19 outbreaks globally have resulted in operational and supply chain delays and disruption as a result of governmental regulation and preventative measures being implemented worldwide, including in Argentina and Chile. The Company could also be required to close, curtail or otherwise limit its operating activities as a result of the implementation of any such governmental regulation or preventative measures in the jurisdictions in which the Company operates, or as a result of sustained COVID-19 outbreaks at its project site or facilities. Any such closures or curtailments could have an adverse impact on the business of the Company. All non-critical business travel continues to be curtailed and this has delayed site visits related to the Company's review of potential business development targets.

RESULTS FROM OPERATIONS

NGEx Minerals is a junior exploration company and, as such, its net losses are largely driven by its exploration and project investigation activities and there is no expectation of generating operating profits until it identifies and develops a commercially viable mineral deposit.

Key financial results for the last eight quarters are provided in the table below.

Three Months Ended	**Jun-21**	**Mar-21**	**Dec-20**	**Sep-20**	**Jun-20**	**Mar-20**	**Dec-19**	**Sep-19[1]**
Exploration costs ($000's)	356	402	563	390	484	1,867	1,092	604
Operating loss ($000's)	810	833	1,302	1,684	829	2,272	1,533	1,085
Net loss ($000's)	784	793	1,302	1,678	843	2,070	1,549	1,074
Net loss per share, basic and diluted ($)	0.01	0.01	0.01	0.01	0.01	0.02	0.01	0.01

[1] Amounts presented in the table relating to periods prior to July 17, 2019, the completion date of the Josemaria Arrangement, have been prepared and presented in accordance with the continuity of interest basis of accounting.

Due to the geographic location of the Company's mineral properties, the Company's business activities generally fluctuate with the seasons, through increased exploration activities during the summer months in South America. As a result, a general recurring trend is the increase in exploration expenditures, and therefore net losses, for the fourth quarter and first quarter of a fiscal year, relative to the second and third quarters. In addition, other relevant factors, such as the financial position of the Company, other corporate initiatives, as well as the type and scope of planned exploration/project work, could affect the level of exploration activities and net loss in a particular period.

NGEx Minerals incurred net losses of $0.8 million and $1.6 million, respectively, for the three and six months ended June 30, 2021 (2020: $0.8 million and $2.9 million), including operating losses of $0.8 million and $1.6 million, respectively (2020: $0.8 million and $3.1 million). Exploration and project investigation costs accounted for approximately 44% and 46% of the respective operating losses for the three and six months June 30, 2021 (2020: 58% and 76%). This is reflective of the Company's accounting policy to expense its exploration costs through the consolidated statement of comprehensive loss, except for mineral property option payments and mineral property acquisition costs, which are capitalized.

Exploration and project investigation costs for the three and six months ended June 30, 2021 were $0.4 million and $0.8 million, respectively (2020: $0.5 million and $2.4 million). The primary driver of this decrease is the cessation of field activity since April 2020 as a result of COVID-19 and related travel restrictions and safety concerns. By comparison, during the first half of 2020, the Company completed an initial reconnaissance program at the Valle Ancho Project. Namely, during the 2019/2020 field season, which ran until March 2020, the Company completed an initial exploration campaign at Valle Ancho, including field examination, surface sampling and mapping of existing prospects, and the undertaking of an airborne geophysical survey.

Excluding share-based compensation, administration costs for the three and six months ended June 30, 2021 totaled $0.3 million and $0.7 million, respectively (2020: $0.3 million and $0.6 million). Share-based compensation, a non-cash cost, reflects the amortization of the estimated fair value of options over their vesting period and is based to a large degree on the Company's share price and its volatility. The actual future value to the option holders may differ materially from these estimates as it depends on the trading price of the Company's shares if and when the options are exercised. In addition, as the granting of options and their vesting is at the discretion of the Board, the related expense is unlikely to be uniform across quarters or financial years. Administration costs, exclusive of share-based compensation costs, for the three and six months ended June 30, 2021 were consistent with the 2020 comparative periods on an overall basis.

Also, the Company recognized net monetary gains of $852 and $4,649, respectively, during the three and six months ended June 30, 2021 (2020: gain of $6,116 and loss of $17,588), in relation to the application of hyperinflationary accounting for the Company's Argentine subsidiaries. The monetary gains recognized are the result of changes in the Argentine price indices and changes to the Company's net monetary position during the period. Further discussion regarding the application of hyperinflationary accounting has been provided in the notes to the consolidated financial statements.

From time to time, the Company acquires and transfers marketable securities as a mechanism to facilitate intragroup funding transfers between its Canadian parent and its Argentine operating subsidiaries. During the three and six months ended June 30, 2021, the Company recognized gains of $52,122 and $94,802, respectively (2020: $nil and $246,882) on the use of marketable securities for this purpose, which represents the net benefit of having used this funding mechanism over traditional methods. The decreases in the gain are the result of less funding provided to its Argentine subsidiaries during the three and six months ended June 30, 2021, compared to the 2020 comparative periods, as a result of the temporary cessation of field work in Argentina since April 2020.

No tax recovery is recognized as a result of the nature of the Company's activities and the lack of reasonably expected taxable profits in the near term.

In other comprehensive income, the Company reported foreign currency translation losses of $100,905 and $214,694, respectively, for the three and six months ended June 30, 2021 (2020: gain of $13,581 and loss of $227,937) on translation of subsidiary company accounts from their functional currency to the Canadian dollar presentation currency. For the three and six months ended June 30, 2021, the foreign currency translation losses are primarily the result of fluctuations of the Canadian dollar relative to the Chilean peso over the period. In addition, for the three and six months ended June 30, 2021, the impacts of hyperinflation were losses of $694 and $9,562, respectively (2020: $178,965 and $72,885), and consists of adjustments recognized on the continuing inflation of opening non-monetary balances during the respective periods and the ongoing translation of the Company's Argentine subsidiaries into the Canadian dollar presentation currency.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2021, the Company had cash of $0.5 million and a working capital deficit of $1.1 million, compared to cash of $0.9 million and net working capital of $0.5 million, as at December 31, 2020. The decrease in the Company's cash and net working capital is due primarily to funds used in operations, including mineral property and surface access rights payments, and for general corporate purposes. The decrease in cash has been partially offset by amounts drawn against a credit facility, as discussed below.

On February 19, 2021, the Company obtained an unsecured US$3.0 million credit facility (the "2021 Facility") from Zebra Holdings and Investments S.à.r.l ("Zebra") and Lorito Holdings S.à.r.l. ("Lorito") to provide financial flexibility to fund ongoing exploration and for general corporate purposes. Zebra and Lorito are companies controlled by a trust settled by the late Adolf H. Lundin. Zebra and Lorito report their respective security holdings in the Company as joint actors, as the term is defined by Canadian securities regulations, and are related parties by virtue of their combined shareholding in the Company in excess of 20%. As at June 30, 2021, the Company had US$2.05 million available to be drawn under the 2021 Facility.

The 2021 Facility matures on February 19, 2022, and no interest is payable in cash during its term. As consideration for the 2021 Facility, Zebra and Lorito received 40,000 common shares upon execution thereof (the "Commitment Shares"), and shall receive an additional 600 common shares each month, for every US$50,000 in principal outstanding, prorated accordingly for the number of days outstanding. All common shares issued in conjunction with the facilities are subject to a four-month hold period under applicable securities laws.

The Company plans to use the majority of its cash and the funds available from the 2021 Facility towards maintenance of Los Helados, commencing a 2021/2022 exploration campaign at Valle Ancho, progressing its business development efforts, and general corporate activities.

As an exploration company with no sources of revenue, the economic viability of the Company's long-term business plan is impacted by its ability to obtain financing, and global economic conditions impact the general availability of financing through public and private debt and equity markets, as well as through other avenues. Accordingly, the Company is cognisant of the heightened volatility in global financial and commodity markets following the novel coronavirus outbreak worldwide, and will continue exercising additional caution and prudence in the management and deployment of its capital resources.

Based on NGEx Minerals' financial position at June 30, 2021, the Company anticipates the need for further funding to support ongoing operations, including its planned exploration program at Valle Ancho, and repay amounts drawn against the 2021 Facility, which matures in February 2022. Accordingly, the Company is currently evaluating potential additional sources of financing. Historically, including the period prior to the completion of the Josemaria Arrangement, capital requirements have been primarily funded through equity financing, joint ventures, disposition of mineral properties and investments, and the use of short-term credit facilities extended by its major shareholders, such as Zebra and Lorito.

While management is confident that additional sources of funding will be secured to fund both required and planned expenditures for at least twelve months from June 30, 2021, including funds required to repay amounts drawn against the 2021 Facility in February 2022, factors that could affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, and investor perceptions and expectations of the global copper, gold, and/or silver markets. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. If necessary, the Company may explore opportunities to reduce its discretionary expenditures, revise the due dates of its liabilities, negotiate deferrals on upcoming lump sum payments with respect to the Company's mineral properties, and/or settle its liabilities through the issuance of the common shares and other equity instruments. Based on the actual deployment of the Company's current capital resources, including the amounts available through the 2021 Facility, and the amount of funding raised, if any, the Company's planned initiatives and other work programs may be revised, as necessary.

RELATED PARTY TRANSACTIONS

Under the normal course of operations, the Company may undertake transactions or hold balances with related parties. Other than those related party transactions identified elsewhere in this MD&A, the Company also engages with Josemaria and Filo Mining Corp. ("Filo Mining"), related parties by way of directors, officers and shareholders in common, and MOAR Consulting Inc. ("MOAR"), an exploration consulting firm, of which a director of the Company is the president.

Related party services

The Company has a cost sharing arrangement with Josemaria and Filo Mining. Under the terms of this arrangement, the Company provides management, technical, administrative and/or financial services (collectively, "Management Services") to Josemaria and Filo Mining, and vice versa. In addition, the Company engages MOAR, to provide exploration consultation. These transactions were incurred in the normal course of operations, and are summarized as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Management Services to Josemaria	15,641	47,183	30,174	88,287
Management Services to Filo Mining	206,719	101,950	341,023	257,342
Management Services from Josemaria	(18,867)	(51,438)	(40,652)	(93,597)
Management Services from Filo Mining	(94,230)	(112,978)	(183,699)	(245,369)
Exploration Consultation from MOAR	(11,250)	(40,625)	(35,625)	(78,750)

Related party balances

The amounts due from (to) related parties, and the components of the consolidated statement of financial position in which they are included, are as follows:

	Related Party	**June 30, 2021**	**December 31, 2020**
Receivables and other assets	Josemaria	15,888	-
Receivables and other assets	Filo Mining	5,806	5,850
Accounts payable and accrued liabilities	Josemaria	(2,339)	-
Accounts payable and accrued liabilities	Filo Mining	(7,590)	(11,752)
Accounts payable and accrued liabilities	MOAR	-	(14,125)

Key management compensation

The Company's key management personnel have the authority and responsibility for overseeing, planning, directing and controlling its activities and consist of the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

	Three months ended	**June 30,**	**Six months ended**	**June 30,**
	2021	**2020**	**2021**	**2020**
Salaries and other payments	118,500	89,500	237,000	208,000
Short-term employee benefits	3,279	3,573	6,846	8,249
Directors fees	20,500	20,500	41,000	41,000
Stock-based compensation	105,176	82,140	210,359	164,282
	247,455	**195,713**	**495,205**	**421,531**

SIGNIFICANT ACCOUNTING POLICIES

The Company continues to follow the accounting policies described in Note 3 to the consolidated financial statements for the year ended December 31, 2020, as filed on SEDAR at www.sedar.com on April 15, 2021.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS, including the condensed interim consolidated financial statements for the three and six months ended June 30, 2021, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and expenditures. These estimates and assumptions are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience. Actual results could differ from those estimates and such differences could be material. Estimates are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. There have been no material changes to the critical accounting estimates discussed in the annual 2020 MD&A filed on SEDAR at www.sedar.com on April 15, 2021.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables and other assets, trade payables and accrued liabilities, amounts owing pursuant to the 2021 Facility and the amounts due to its exploration partner. Other than for the amounts due to its exploration partner, the carrying values of the Company's financial instruments are considered to be reasonable approximations of fair value due to their short term nature. For amounts due to its exploration partner, the Company revalues the liability from time to time based on revisions to the timing and amounts of expected future settlement, which the Company believes is a reasonable approximation of fair value. Between revaluations, the liability is accreted.

As at June 30, 2021 the Company's financial instruments are exposed to the following financial risks, including credit, liquidity and currency risks:

(i) Credit risks associated with cash is mitigated by the Company's practice of holding the majority of its cash with a large Canadian financial institution that has been accorded a strong investment grade rating by a primary rating agency.

(ii) Liquidity risks associated with the inability to meet obligations as they become due, as further discussed under the "Liquidity and Capital Resources" section above, is minimized through the management of its capital structure and by maintaining good relationships with significant shareholders and creditors. The Company also closely monitors and reviews its costs to date and actual cash flows on a monthly basis.

Based on NGEx Minerals' financial position at June 30, 2021, the Company anticipates the need to obtain further funding to support required and planned expenditures for at least twelve months from June 30, 2021, including repayment of amounts drawn against the 2021 Facility in February 2022. Please refer to the discussion provided in the Liquidity and Capital Resources section above for further details.

The maturities of the Company's financial liabilities as at June 30, 2021 are as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	831,100	831,100	-	-
Amounts owing pursuant to credit facility	1,184,298	1,184,298	-	**-**
Due to exploration partner	4,225,924	-	-	**4,225,924**
Total	**6,241,322**	**2,015,398**	**-**	**4,225,924**

Pursuant to the Josemaria Arrangement, the Company assumed from Josemaria an obligation to fund a partner's share of exploration expenditures related to the La Rioja properties (the "Obligation"). In accordance with the terms of a Joint Exploration Agreement between the Company and the partner, NCR, the Company has elected to settle the Obligation through funding NCR's share of exploration expenditures, which remained US$3.4 million as at June 30, 2021, and has no defined timeline for settlement. The Obligation has been discounted at an annual effective rate of 8%, and recorded at its present value having the Canadian dollar equivalent of $336,792 at June 30, 2021. The figure provided in the preceding table represents the Canadian dollar equivalent of the liability on an undiscounted basis.

(iii) Foreign currency risk can arise when the Company or its subsidiaries transact or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

At June 30, 2021, the Company's largest foreign currency risk exposure existed at the level of its Canadian headquarters, where the Company held a net financial liability position denominated in US dollars having a Canadian dollar equivalent of approximately $1.2 million. A 10% change in the foreign exchange rate between the US dollar, and the Canadian dollar, NGEx Minerals' functional currency, would give rise to increases/decreases of approximately $125,000 in financial position/comprehensive loss.

OUTSTANDING SHARE DATA

As at August 27, 2021, the Company had 124,873,104 common shares outstanding and 7,132,500 share options outstanding under its share-based incentive plan.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which includes the acquisition, financing, exploration, development and operation of mineral and mining properties. There are a number of factors that could negatively affect the Company's business and the value of its common shares, and these risk factors could materially affect the Company's future operations and financial position and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. There have been no material changes in the risks and uncertainties affecting the Company that were discussed in the Company's annual 2020 MD&A, as filed on SEDAR at www.sedar.com on April 15, 2021.

QUALIFIED PERSON AND TECHNICAL INFORMATION

The scientific and technical disclosure included in this MD&A have been reviewed and approved by Bob Carmichael, P. Eng. (BC). Mr. Carmichael is the Company's Vice-President of Exploration and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects. ("NI 43-101").

Mineral Resource estimates for the Los Helados Project have an effective date of April 26, 2019. The key assumptions, parameters, and methods used to estimate the mineral resources are contained in the 43-101 technical report for the project, entitled *"Technical Report on the Los Helados Porphyry Copper-Gold Deposit, Chile"*, dated August 6, 2019 and authored by F. Devine, P.Geo., G. Zandonai, RMCMC, and G. Di Prisco, P.Geo. This report is available on the Company's website at www.ngexminerals.com or under the Company's profile at www.sedar.com.

Mineral Resources are reported using a CuEq cutoff grade. Copper equivalent is calculated using US$3.00/lb copper, US$ 1,300/oz gold and US$23/oz silver, and includes a provision for selling costs and metallurgical recoveries corresponding to three zones defined by depth below surface. The formulas used are: CuEq% = Cu% + 0.6264*Au (g/t) + 0.0047*Ag (g/t) for the Upper Zone (surface to ~ 250 m); Cu% + 0.6366*Au (g/t) + 0.0077*Ag (g/t) for the Intermediate Zone (~250 m to ~600 m); Cu% + 0.6337*Au (g/t) + 0.0096*Ag (g/t) for the Deep Zone (> ~600 m).

The Company's Mineral Resource estimates as reported in this MD&A have been prepared in accordance with the CIM Definition Standards that are incorporated by reference in NI 43-101.

Valle Ancho drill results are historical in nature and, although NGEx Minerals has no reason to believe that the analytical data reported here is inaccurate, the Company has not completed its own sampling to independently verify the assay results. Please refer to the Corporation's News Release dated September 8, 2019 for additional information on the veracity of this data.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made and information contained herein in the MD&A constitutes "forward-looking information" and forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information" or "forward-looking statements") concerning the business, operations, financial performance and condition of NGEx Minerals. The forward-looking information contained in this MD&A is based on information available to the Company as of the date of this MD&A. Except as required under applicable securities legislation, the Company does not intend, and does not assume, any obligation, to update this forward-looking information. Generally, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance, (often, but not always, identified by words or phrases such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "projects" , "estimates", "budgets", "scheduled", "forecasts", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events, conditions or results "will", "may", "could", "would", "should", "might" or "will be taken", "will occur" or "will be achieved" or the negative connotations thereof and similar expressions) are not statements of historical fact and may be forward-looking statements.

All statements other than statements of historical fact may be forward-looking statements. Forward-looking information is necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks and uncertainties relating to, among other things, the inherent uncertainties regarding Mineral Resource estimates, cost estimates, changes in commodity prices, currency fluctuation, financings, unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations as well as other risks, and uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the MD&A, and elsewhere, which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

The Company believes that the expectations reflected in the forward-looking statements and information included in this MD&A are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements and information should not be unduly relied upon. This statement and information is as of the date of the MD&A. In particular, this MD&A contains forward-looking statements or information pertaining to: the assumptions used in the Mineral Resources estimates for the Los Helados Project, including, but not limited to, geological interpretation and grades; assumptions made in the interpretation of drill results, geology, grade and continuity of mineral deposits; expectations regarding access and demand for equipment, skilled labour and services needed for exploration and development of mineral properties; and that activities will not be adversely disrupted or impeded by exploration, development, operating, regulatory, political, community, economic and/or environmental risks. In addition, this MD&A may contain forward-looking statements or information pertaining to: the Company's ability to respond to or navigate, and/or methods by which it responds to or navigates, the COVID-19 pandemic; the expected timing, nature or results of the Company's recent business development initiatives; the materialization of opportunities for the Company to make acquisition of strategic assets; the ability of the Company to secure additional financing and/or the quantum and terms thereof; exploration and development plans and expenditures, including those pertaining to a 2021/2022 program at Valle Ancho; the ability and/or the willingness of the Company to meet the remaining earn-in expenditure at Valle Ancho to secure a 100% interest therein; the timing and nature of work undertaken to advance the Los Helados Project or the Valle Ancho Project; the success of future exploration activities; potential for the discovery of new mineral deposits; ability to build shareholder value; expectations with regard to adding to Mineral Resources through exploration; expectations with respect to the conversion of inferred resources to an indicated resources classification; ability to execute the planned work programs; estimation of commodity prices, Mineral Resources, estimations of costs, and permitting time lines; ability to obtain surface rights and property interests; currency exchange rate fluctuations; requirements for additional capital; government regulation of mining activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; and other risks and uncertainties.

Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that the Company will not experience any material labour dispute, accident, or failure of plant or equipment. These factors are not, and should not be construed as being, exhaustive. Although the Company has attempted to identify important factors that would cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as the Company's actual results and future events could differ materially from those anticipated in such statements, as a result of the factors discussed in the "Risk and Uncertainties" section of this MD&A, and elsewhere. All of the forward-looking information contained in this document is qualified by these cautionary statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Statements relating to "Mineral Resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the Mineral Resources described can be profitably produced in the future.

NGEx Minerals Ltd.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	Note	**June 30, 2021**	**December 31, 2020**
ASSETS			
Current assets:			
Cash		$ 469,264	$ 898,818
Receivables and other assets	*4*	407,206	241,367
		876,470	1,140,185
Non-current assets:			
Receivables and other assets	*4*	350,440	105,950
Equipment		24,531	26,314
Mineral properties	*5*	4,035,444	4,105,871
		4,410,415	4,238,135
TOTAL ASSETS		5,286,885	5,378,320
LIABILITIES			
Current liabilities:			
Trade payables and accrued liabilities		831,099	590,516
Amounts owing pursuant to credit facility	*6*	1,184,298	-
		2,015,397	590,516
Non-current liabilities:			
Due to exploration partner	*7*	336,792	345,977
TOTAL LIABILITIES		2,352,189	936,493
SHAREHOLDERS' EQUITY			
Share capital		43,089,442	43,053,810
Contributed surplus		1,316,843	1,058,841
Deficit		(39,362,924)	(37,786,415)
Accumulated other comprehensive loss		(2,108,665)	(1,884,409)
TOTAL SHAREHOLDERS' EQUITY		2,934,696	4,441,827
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 5,286,885	$ 5,378,320

Nature of Operations and Liquidity Risk (Note 1)
Commitments (Note 4)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

On behalf of the Board:

/s/William A. Rand
Director

/s/Wojtek A. Wodzicki
Director

NGEx Minerals Ltd.
Condensed Interim Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
(Unaudited)

	Note	Three months ended June 30, 2021	Three months ended June 30, 2020	Six months ended June 30, 2021	Six months ended June 30, 2020
Expenses					
Exploration and project investigation	*10*	$ 355,845	$ 483,715	$ 757,513	$ 2,350,571
General and administration:					
Salaries and benefits		207,640	163,550	407,940	341,994
Share-based compensation	*9c*	110,156	85,942	220,320	171,888
Management fees		32,160	32,625	64,320	65,250
Professional fees		48,556	47,547	91,532	79,396
Travel		4,585	-	4,585	6,912
Promotion and public relations		2,245	2,689	7,769	29,440
Office and general		48,386	13,107	88,708	56,010
Operating loss		809,573	829,175	1,642,687	3,101,461
Other expenses (income)					
Financing costs		29,719	6,845	41,050	13,355
Foreign exchange loss (gain)		(2,560)	(11,811)	(7,718)	2,605
Net monetary loss (gain)	*3*	(852)	(6,116)	(4,649)	17,588
Other expenses (recoveries)		(59)	24,656	(59)	24,656
Gain on use of marketable securities, net	*13*	(52,122)	-	(94,802)	(246,882)
Net loss		783,699	842,749	1,576,509	2,912,783
Other comprehensive loss					
Items that may be reclassified subsequently to net loss:					
Foreign currency translation adjustment		100,905	(13,581)	214,694	227,937
Impact of hyperinflation	*3*	694	178,965	9,562	72,885
Comprehensive loss		$ 885,298	$ 1,008,133	$ 1,800,765	$ 3,213,605
Basic and diluted loss per common share		$ 0.01	$ 0.01	$ 0.01	$ 0.02
Weighted average common shares outstanding		124,843,345	124,793,652	124,828,360	124,793,652

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

NGEx Minerals Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Note		Six months ended June 30, 2021		2020
Cash flows used in operating activities					
Net loss for the period		$	(1,576,509)	$	(2,912,783)
Adjustments to reconcile net loss to net operating cash flows:					
Depreciation			3,772		3,798
Share-based compensation	*9c*		258,002		209,613
Finance costs			41,050		13,355
Foreign exchange loss (gain)			(14,745)		14,554
Net monetary loss			3,234		44,790
Net changes in working capital and other items:					
Receivables and other			(427,876)		65,251
Trade payables and accrued liabilities			280,683		(237,521)
			(1,432,389)		(2,798,943)
Cash flows from (for) financing activities					
Drawdown of credit facility			1,182,990		-
Payments made on behalf of exploration partner			(13,884)		(13,355)
			1,169,106		(13,355)
Cash flows used in investing activities					
Mineral properties and related expenditures	*6*		(121,830)		(133,558)
			(121,830)		(133,558)
Effect of exchange rate change on cash			(44,441)		(140,222)
Decrease in cash during the period			(429,554)		(3,086,078)
Cash, beginning of the period		$	898,818	$	5,559,454
Cash, end of the period		$	469,264	$	2,473,376

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

NGEx Minerals Ltd.
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Note	Number of Shares	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance, January 1, 2020		124,793,652	$ 43,053,810	$ 419,228	$ (31,893,537)	$ (1,767,396)	$ 9,812,105
Share-based compensation		-	-	209,613	-	-	209,613
Net loss and other comprehensive loss		-	-	-	(2,912,783)	(300,822)	(3,213,605)
Balance, June 30, 2020		**124,793,652**	**$ 43,053,810**	**$ 628,841**	**$ (34,806,320)**	**$ (2,068,218)**	**$ 6,808,113**
Balance, January 1, 2021		124,793,652	$ 43,053,810	$ 1,058,841	$ (37,786,415)	$ (1,884,409)	$ 4,441,827
Share-based compensation	*9c*	-	-	258,002	-	-	258,002
Shares issued pursuant to credit facility	*6*	57,952	35,632	-	-	-	35,632
Net loss and other comprehensive loss		-	-	-	(1,576,509)	(224,256)	(1,800,765)
Balance, June 30, 2021		**124,851,604**	**$ 43,089,442**	**$ 1,316,843**	**$ (39,362,924)**	**$ (2,108,665)**	**$ 2,934,696**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS AND LIQUIDITY RISK

NGEx Minerals Ltd. (the "Company" or "NGEx Minerals") was incorporated on February 21, 2019 under the laws of the Canada Business Corporations Act in connection with a plan of arrangement to reorganize Josemaria Resources Inc. ("Josemaria"), which was completed on July 17, 2019 (the "Josemaria Arrangement").

The Company's principal business activities are the acquisition, exploration and development of mineral properties located in South America. The Company's registered office is located at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Canada. The Company's common shares trade on the TSX Venture Exchange (the "TSXV") under the symbol "NGEX".

While these condensed interim consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that it will be able to meet its existing obligations and commitments and fund ongoing operations in the normal course of business for at least twelve months from June 30, 2021, the Company anticipates the need for further funding to settle its current liabilities, support ongoing operations, and advance its South American exploration projects, as appropriate. The Company is currently evaluating potential additional sources of financing. Historically, including the period prior to the completion of the Josemaria Arrangement, capital requirements have been primarily funded through equity financing, joint ventures, disposition of mineral properties and investments, and the use of short-term credit facilities extended by its major shareholders, such as Zebra Holdings and Investments S.à.r.l. ("Zebra") and Lorito Holdings S.à.r.l. ("Lorito"). Zebra and Lorito are companies controlled by a trust settled by the late Adolf H. Lundin. Zebra and Lorito report their respective security holdings in the Company as joint actors, as the term is defined by Canadian securities regulations, and are related parties by virtue of their combined shareholding in the Company in excess of 20%. In February 2021, the Company obtained an unsecured US$3.0 million credit facility from Zebra and Lorito (see Note 6).

While management is confident that additional sources of funding will be secured to fund planned expenditures for at least twelve months from June 30, 2021, including funds required to repay amounts drawn against the credit facility extended by Zebra and Lorito which matures in February 2022 (see Note 6), factors that could affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, as may be impacted by developments with respect to the ongoing COVID-19 pandemic, and investor perceptions and expectations of the global copper, gold, and/or silver markets. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company. If necessary, the Company may defer or forego discretionary expenditures, explore opportunities to revise the due dates of its liabilities, negotiate deferrals on upcoming lump sum payments with respect to the Company's mineral properties, and/or settle its liabilities through the issuance of the common shares and other equity instruments. Based on the actual deployment of the Company's current working capital and the amount of funding raised, if any, the Company's planned initiatives and other work programs may be postponed, or otherwise revised, as necessary.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including IAS 34, Interim Financing Reporting. Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted, and these condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2020. In preparation of these condensed interim consolidated financial statements, the Company has consistently applied the same accounting policies as disclosed in Note 3 to the audited consolidated financial statements for the year ended December 31, 2020.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on August 26, 2021.

3. HYPERINFLATION

Argentina was designated a hyperinflationary economy as of July 1, 2018 for accounting purposes.

Accordingly, the application of hyperinflation accounting has been applied to the Company's Argentine subsidiaries' non-monetary 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 consolidated financial statements. To measure the impact of inflation on its 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.

As the consolidated financial statements of the Company have been previously presented in Canadian dollars, a stable currency, the comparative period amounts do not require restatement.

The Company recognized losses of $694 and $9,562, respectively, for the three and six months ended June 30, 2021 (2020: gain of $178,965 and $72,885) in relation to the impact of hyperinflation within other comprehensive income, which is primarily the result of devaluation of the Argentine peso relative to the Canadian dollar during the period.

As a result of changes in the IPC and changes to the Company's net monetary position during the three and six months ended June 30, 2021, the Company recognized net monetary gains of $852 and $4,649, respectively (2020: gain of $6,116 and loss of $17,588, respectively) to adjust transactions recorded during the period into a measuring unit current as of June 30, 2021.

The level of the IPC at June 30, 2021 was 483.6 (December 31, 2020: 385.9), which represents an increase of approximately 25% over the IPC at December 31, 2020, and an approximate 15% increase over the average level of the IPC during the six months ended June 30, 2021.

(Expressed in Canadian Dollars, unless otherwise stated)

4. RECEIVABLES AND OTHER ASSETS

	June 30, 2021	December 31, 2020
Current		
Taxes receivable	26,712	62,297
Other receivables	57,755	41,175
Other prepaid expenses and deposits	322,739	137,895
	407,206	**241,367**
Non-current		
Taxes receivable	90,631	105,950
Deferred surface access rights	259,809	
	350,440	**105,950**

Deferred Surface Access Rights

Historically, the Company has had a contractual agreement with the owners of the surface rights covering the Los Helados properties, which gave the Company access over these surface rights for exploration, development, and mining through to closure of any mining operation, in exchange for certain payments which are linked to project activities and certain development milestones (the "Original Surface Access Agreement"). The Original Surface Access Agreement provided for minimum annual payments of US$0.5 million which covered basic access to the property and minimal surface disturbance such as road maintenance.

On January 26, 2021, the Original Surface Access Agreement was mutually terminated by the Company and the holders of the surface rights and replaced with an interim surface access agreement with an effective period of three years (the "Interim Surface Access Agreement"). The Interim Surface Access Agreement reduces the Company's payments to the holders of the surface rights to coincide with the current, reduced level of activities at Los Helados properties. As a result, the payments by the Company to the holders of the surface rights have been reduced, with US$200,000 paid upon execution and another US$200,000 to be paid in January 2022. In return, during the effective period of the Interim Surface Access Agreement, the Company is permitted to access the surface rights for conducting environmental data collection, site visits, and general maintenance of the Los Helados properties, but prohibits the undertaking of programs for the purposes of exploration or development.

Accordingly, as at June 30, 2021, the payment of US$200,000 due in January 2022 has been recognized within trade payables and accrued liabilities as a contractual commitment. As at June 30, 2021, this contractual liability had a Canadian dollar equivalent of approximately $247,880.

As the payments related to the Interim Surface Access Agreement provide the Company the benefit of access for a period of three years ending January 2024, the pro rata portion relating to the 12 months ending June 30, 2022 have been classified as a current asset, whereas all other amounts have been classified as non-current.

(Expressed in Canadian Dollars, unless otherwise stated)

Non-current Taxes Receivable

Pursuant to local regulations, the Company is entitled to a refund of certain value added taxes ("VAT") paid in Argentina. While the Company continues to expect full payment of the amounts claimed, the timing of receipt of the refunds has become increasingly uncertain due to ongoing delays which have now exceed the Company's prior expectations and experiences. Accordingly, the corresponding taxes receivable balance has been classified as non-current.

5. MINERAL PROPERTIES

	Los Helados Project	Nacimientos Properties	Total
January 1, 2020	**$ 3,924,374**	**$ 840,831**	**$ 4,765,205**
Additions	133,558	-	133,558
Write down		(827,343)	(827,343)
Effect of foreign currency translation	47,939	-	47,939
Adjustments for impacts of hyperinflation	-	(13,488)	(13,488)
December 31, 2020	**$ 4,105,871**	**$ -**	**$ 4,105,871**
Additions	121,830	-	121,830
Effect of foreign currency translation	(192,257)	-	(192,257)
June 30, 2021	**$ 4,035,444**	**$ -**	**$ 4,035,444**

Los Helados Project

The Company's primary mineral property assets are the Los Helados properties and the La Rioja properties (together, the "Los Helados Project"), which are comprised of adjacent mineral titles in Region III, Chile, and the San Juan Province in Argentina.

The Company is the majority partner and operator of the Los Helados Project, which is subject to a Joint Exploration Agreement ("JEA") with its exploration partner, Nippon Caserones Resources Co. Ltd. ("NCR"). NCR became the Company's partner on April 1, 2020 when Pan Pacific Copper Co. Ltd. transferred its interest in the Los Helados Project to NCR, a subsidiary of JX Nippon Mining and Metals Corporation, a Tokyo-based mining and smelting company that also owns the Caserones Mine, located approximately 12 kilometres from the Los Helados properties.

The Company holds an approximate 64% interest in the underlying Los Helados properties, which are located in Region III, Chile, and a 60% interest in the La Rioja properties, located in the adjacent San Juan Province in Argentina.

The Company has been funding and accounting for 100% of the expenditures related to the Los Helados Project following the election by the exploration partner pursuant to the JEA not to fund its share of expenditures since September 1, 2015. The sole funding of expenditures at the Los Helados Project has resulted in dilution of NCR's interest, and corresponding increases to the Company's interest, resulting in the amounts noted in the preceding paragraph.

Valle Ancho Properties

On August 29, 2019, the Company entered into an option agreement with the Province of Catamarca, Argentina to earn a 100% interest in the Valle Ancho, Interceptor, and Filo del las Vicunas properties (collectively, the "Valle Ancho Properties"), located in Catamarca, Argentina, by making US$8.2 million in expenditures on the Valle Ancho Properties over a two-year period. In August 2020, the option period for Valle Ancho was extended from August 2021 to December 2022.

6. CREDIT FACILITY

On February 19, 2021, the Company obtained an unsecured US$3.0 million credit facility (the "2021 Facility") from Zebra and Lorito to provide financial flexibility to fund ongoing exploration and for general corporate purposes.

As consideration for the 2021 Facility, Zebra and Lorito received 40,000 common shares upon execution thereof (the "Commitment Shares") and shall receive an additional 600 common shares each month, for every US$50,000 in principal outstanding, prorated accordingly for the number of days outstanding. The 2021 Facility matures on February 19, 2022, and no interest is payable in cash during its term.

As at June 30, 2021, a total of US$950,000 has been drawn and remained outstanding against the 2021 Facility. During the six months ended June 30, 2021, 57,952 common shares were issued to Zebra and Lorito in connection with the facility, with an additional 10,100 common shares issuable. During the three and six months ended June 30, 2021, the Company has recognized $22,876 and $27,166, respectively, (2020: $nil) in financing costs through the consolidated statement of comprehensive loss. In addition, $15,334 has been deferred within prepaid expenses and other deposits as at June 30, 2021 as it relates to a portion of the Commitment Shares.

All common shares issued in conjunction with the facilities are subject to a four-month hold period under applicable securities laws.

7. DUE TO EXPLORATION PARTNER

Pursuant to the Josemaria Arrangement, the Company assumed from Josemaria an obligation to fund a partner's share of exploration expenditures related to the La Rioja properties (the "Obligation"). In accordance with the terms of the JEA between the Company and the partner, NCR, the Company has elected to settle the Obligation through funding NCR's share of exploration expenditures, which remained US$3.4 million as at June 30, 2021, and has no defined timeline for settlement.

The Company considered the estimated timeframe required to expend the remaining US$3.4 million on behalf of NCR at the La Rioja properties and has presented the remaining obligation as a non-current liability, discounted to its present value at an annual effective rate of 8%.

(Expressed in Canadian Dollars, unless otherwise stated)

8. SHARE CAPITAL

The Company has authorized an unlimited number of voting common shares without par value.

9. SHARE OPTIONS

a) Share option plan

The Company has a share option plan adopted by the Board of Directors on May 7, 2019, which reserves an aggregate of 10% of the issued and outstanding shares of the Company for issuance upon the exercise of options granted. The granting, vesting and terms of the share options are at the discretion of the Board of Directors.

b) Share options outstanding

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares issuable pursuant to share options	**Weighted average exercise price per share**
Balance at January 1, 2020	6,657,500	$ 0.64
Options granted	2,660,000	0.54
Expired	(1,182,500)	0.89
Balance at December 31, 2020	8,135,000	$ 0.57
Expired	(1,002,500)	0.84
June 30, 2021	7,132,500	$ 0.53

The following table details the share options outstanding and exercisable as at June 30, 2021:

	Outstanding options			Exercisable options		
Exercise prices	Options outstanding	Weighted average remaining contractual life (Years)	Weighted average exercise price	Options exercisable	Weighted average remaining contractual life (Years)	Weighted average exercise price
$0.475	3,445,000	3.24	$0.475	2,296,668	3.24	$0.475
$0.54	2,660,000	4.42	$0.54	886,667	4.42	$0.54
$0.68	1,027,500	2.66	$0.68	1,027,500	2.66	$0.68
	7,132,500	3.60	$0.53	4,261,835	3.35	$0.54

(Expressed in Canadian Dollars, unless otherwise stated)

c) Share-based compensation

	Three months ended	June 30,	Six months ended	June 30,
	2021	**2020**	**2021**	**2020**
Exploration and project investigation	18,840	18,862	37,682	37,725
General and administration	110,156	85,942	220,320	171,888
	128,996	**104,804**	**258,002**	**209,613**

10. EXPLORATION AND PROJECT INVESTIGATION

Due to the geographic location of the Company's current mineral property interests, the Company's business activities generally fluctuate with the seasons, with increased exploration activities during the summer months in South America. As a result, a general recurring trend is the increase in exploration expenditures, and therefore net losses, for the fourth quarter and first quarter of a fiscal year, relative to the second and third quarters.

The Company expensed the following exploration and project investigation costs for the three and six months ended June 30, 2021 and 2020:

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended June 30,		Los Helados Project	Nacimientos Properties	Valle Ancho	Other	Total
2021	Land holding and access costs	82,087	-	6	6,162	88,255
	Fuel, camp costs and field supplies	18,089	-	870	-	18,959
	Roadwork, travel and transport	3,463	-	1,855	5	5,323
	Consultants, geochemistry and geophysics	1,151	-	-	30,825	31,976
	Environmental and community relations	9,319	-	1,469	-	10,788
	VAT and other taxes	5,607	-	15,719	2,599	23,925
	Office, field and administrative salaries, overhead and other administrative costs	36,525	-	109,975	11,279	157,779
	Share-based compensation	8,784	-	7,243	2,813	18,840
	Total	**165,025**	**-**	**137,137**	**53,683**	**355,845**
2020	Land holding and access costs	7,639	23	-	6,719	14,381
	Fuel, camp costs and field supplies	10,909	5,998	5,619	-	22,526
	Roadwork, travel and transport	7,139	3,007	4,704	12	14,862
	Engineering and conceptual studies	26,517	-	-	-	26,517
	Consultants, geochemistry and geophysics	31	-	39,560	40,625	80,216
	Environmental and community relations	11,183	-	16,329	-	27,512
	VAT and other taxes	3,243	6,506	32,977	1,755	44,481
	Office, field and administrative salaries, overhead and other administrative costs	45,280	21,605	165,117	2,356	234,358
	Share-based compensation	6,577	707	10,377	1,201	18,862
	Total	**118,518**	**37,846**	**274,683**	**52,668**	**483,715**

(Expressed in Canadian Dollars, unless otherwise stated)

Six months ended June 30,		Los Helados Project	Nacimientos Properties	Valle Ancho	Other	Total
2021	Land holding and access costs	141,381	-	6	14,202	155,589
	Fuel, camp costs and field supplies	61,797	-	1,574	21	63,392
	Roadwork, travel and transport	11,934	-	6,143	8	18,085
	Consultants, geochemistry and geophysics	7,290	-	13,339	56,200	76,829
	Environmental and community relations	19,020	-	1,790	-	20,810
	VAT and other taxes	18,324	-	35,905	6,326	60,555
	Office, field and administrative salaries, overhead and other administrative costs	89,673	-	212,798	22,100	324,571
	Share-based compensation	18,292	-	14,215	5,175	37,682
	Total	**367,711**	**-**	**285,770**	**104,032**	**757,513**
2020	Land holding and access costs	675,603	3,297	9,481	16,830	705,211
	Fuel, camp costs and field supplies	22,985	10,453	114,425	44	147,907
	Roadwork, travel and transport	18,318	3,023	142,791	34	164,166
	Engineering and conceptual studies	26,517	-	-	-	26,517
	Consultants, geochemistry and geophysics	8,857	-	378,280	83,185	470,322
	Environmental and community relations	19,126	-	27,219	-	46,345
	VAT and other taxes	14,090	8,671	193,934	5,862	222,557
	Office, field and administrative salaries, overhead and other administrative costs	104,883	28,257	392,099	4,582	529,821
	Share-based compensation	14,523	876	20,523	1,803	37,725
	Total	**904,902**	**54,577**	**1,278,752**	**112,340**	**2,350,571**

(Expressed in Canadian Dollars, unless otherwise stated)

11. RELATED PARTY TRANSACTIONS

Under the normal course of operations, the Company may undertake transactions or hold balances with related parties. Other than those related party transactions identified elsewhere in these condensed interim consolidated financial statements, the Company also engages with Josemaria and Filo Mining Corp. ("Filo Mining"), related parties by way of directors, officers and shareholders in common, and MOAR Consulting Inc. ("MOAR"), an exploration consulting firm, of which a director of the Company is the president.

a) Related party services

The Company has a cost sharing arrangement with Josemaria and Filo Mining. Under the terms of this arrangement, the Company may, from time to time, provide management, technical, administrative and/or financial services (collectively, "Management Services") to Josemaria and Filo Mining, and vice versa. In addition, the Company engages MOAR, to provide exploration consultation. These transactions were incurred in the normal course of operations, and are summarized as follows:

	Three months ended	June 30,	Six months ended	June 30,
	2021	**2020**	**2021**	**2020**
Management Services to Josemaria	15,641	47,183	30,174	88,287
Management Services to Filo Mining	206,719	101,950	341,023	257,342
Management Services from Josemaria	(18,867)	(51,438)	(40,652)	(93,597)
Management Services from Filo Mining	(94,230)	(112,978)	(183,699)	(245,369)
Exploration Consultation from MOAR	(11,250)	(40,625)	(35,625)	(78,750)

b) Related party balances

The amounts due from (to) related parties, and the components of the consolidated statements of financial position in which they are included, are as follows:

	Related Party	**June 30, 2021**	**December 31, 2020**
Receivables and other assets	Josemaria	15,888	-
Receivables and other assets	Filo Mining	5,806	5,850
Accounts payable and accrued liabilities	Josemaria	(2,339)	-
Accounts payable and accrued liabilities	Filo Mining	(7,590)	(11,752)
Accounts payable and accrued liabilities	MOAR	-	(14,125)

(Expressed in Canadian Dollars, unless otherwise stated)

c) Key management compensation

The Company's key management personnel have the authority and responsibility for overseeing, planning, directing and controlling its activities and consist of the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Salaries and other payments	118,500	89,500	237,000	208,000
Short-term employee benefits	3,279	3,573	6,846	8,249
Directors fees	20,500	20,500	41,000	41,000
Stock-based compensation	105,176	82,140	210,359	164,282
	247,455	**195,713**	**495,205**	**421,531**

12. SEGMENTED INFORMATION

The Company is principally engaged in the acquisition, exploration and development of mineral properties in South America. The information regarding mineral properties and exploration and project investigation costs presented in Notes 5 and 10, respectively, represent the manner in which management reviews its business performance. Materially all of the Company's mineral properties and exploration and project investigation costs relate to South America, particularly Chile and Argentina. The net gains on the use of marketable securities are allocated to the Nacimientos and Valle Ancho Projects, as they are the result of funding provided to the Company's Argentine subsidiary in support of these projects. Materially all of the Company's administrative costs are incurred by the Canadian parent, where materially all of the Company's cash is held in the normal course of business until it is required to be deployed to the Company's South American subsidiaries in support of ongoing and planned work programs.

(Expressed in Canadian Dollars, unless otherwise stated)

The following are summaries of the Company's current and non-current assets, current liabilities, and net losses by segment:

		Los Helados Project	Valle Ancho	Corporate	Total
As at June 30, 2021	Current assets	354,843	152,343	369,284	876,470
	Non-current receivables and other assets	259,809	90,631	-	350,440
	Equipment	-	24,531	-	24,531
	Mineral properties	4,035,444	-	-	4,035,444
	Total assets	4,650,096	267,505	369,284	5,286,885
	Current liabilities	294,235	208,424	1,512,738	2,015,397
	Due to exploration partner	-	-	336,792	336,792
	Total liabilities	294,235	208,424	1,849,530	2,352,189

		Los Helados Project	Nacimientos & Valle Ancho	Corporate	Total
As at December 31, 2020	Current assets	128,924	201,442	809,819	1,140,185
	Non-current receivables and other assets	-	105,950	-	105,950
	Equipment	-	26,314	-	26,314
	Mineral properties	4,105,871	-	-	4,105,871
	Total assets	4,234,795	333,706	809,819	5,378,320
	Current liabilities	67,847	222,337	300,332	590,516
	Due to exploration partner	-	-	345,977	345,977
	Total liabilities	67,847	222,337	646,309	936,493

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended June 30,		**Los Helados Project**	**Valle Ancho**	**Corporate**	**Other**	**Total**
2021	Exploration and project investigation	165,025	137,137	-	53,683	355,845
	Gain on use of marketable securities	-	(52,122)	-	-	(52,122)
	General and administration and other items	24,066	6,544	449,366	-	479,976
	Net loss	189,091	91,559	449,366	53,683	783,699
		Los Helados Project	**Nacimientos & Valle Ancho**	**Corporate**	**Other**	**Total**
2020	Exploration and project investigation	118,518	312,529	-	52,668	483,715
	General and administration and other items	22,000	23,751	313,283	-	359,034
	Net loss	140,518	336,280	313,283	52,668	842,749

(Expressed in Canadian Dollars, unless otherwise stated)

Six months ended June 30,		**Los Helados Project**	**Valle Ancho**	**Corporate**	**Other**	**Total**
2021	Exploration and project investigation	367,711	285,770	-	104,032	757,513
	Gain on use of marketable securities	-	(94,802)	-	-	(94,802)
	General and administration and other items	41,880	3,714	868,204	-	913,798
	Net loss	409,591	194,682	868,204	104,032	1,576,509
		Los Helados Project	**Nacimientos & Valle Ancho**	**Corporate**	**Other**	**Total**
2020	Exploration and project investigation	904,902	1,333,329	-	112,340	2,350,571
	Gain on use of marketable securities	-	(246,882)	-	-	(246,882)
	General and administration and other items	40,076	48,296	720,722	-	809,094
	Net loss	944,978	1,134,743	720,722	112,340	2,912,783

13. USE OF MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable securities to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries.

The Company does not acquire marketable securities or engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well established companies, with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable.

As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading, all changes in the fair value of the instruments, between acquisition and disposition, are recognized through profit or loss.

As a result of having utilized this mechanism for intragroup funding for the three and six months ended June 30, 2021, the Company realized net gains of $52,122 and $94,802, respectively, (2020: $nil and $246,882). For the three months ended June 30, 2021, the net gain was comprised of a favorable foreign currency impact of $64,067 (2020: $nil) and a trading loss of $11,946 (2020: $nil). For the six months ended June 30, 2021, the net gain was comprised of a favorable foreign currency impact of $115,279 (2020: $192,213) and a trading loss of $20,477 (2020: gain of $54,669).

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