NGEX MINERALS LTD.

2022 FIRST QUARTER REPORT

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

For the Three Months Ended March 31, 2022
(UNAUDITED)

NGEX MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE MONTHS ENDED MARCH 31, 2022
(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 months ended March 31, 2022 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 Financial Reporting*. The effective date of this MD&A is May 19, 2022. 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.

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 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 15km from Los Helados.

As of the date of this MD&A, the Company held an approximate 67% interest in the Los Helados Project. The Company has been funding 100% of the expenditures related to the Los Helados Project following the election by NCR 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.

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".

Q1 2022 OPERATING HIGHLIGHTS AND OUTLOOK

Drill Program at Los Helados Demonstrates Continuity and Confirms Extension of High-grade Core

In late January 2022, the Company commenced its 2022 drill program at the Los Helados copper-gold project. The program is currently ongoing with three rigs and drilling is anticipated to continue until mid-June, coinciding with the onset of winter weather in South America. The program is designed to further define and potentially extend the high-grade core of the Los Helados deposit, which is defined by a 0.7% copper equivalent ("CuEq") grade shell within the current Mineral Resource model.

To date, assay results from the first three completed holes of the 2022 drill program have been received and released by the Company. Key achievements by these three holes include:

- LHDH073 infilling a 180m gap between previously completed holes and confirming continuity of the strong mineralization within the deposit's high-grade core;
- LHDH074 infilling an area where spacing between previous holes was between 170m and 270m and adding high-grade mineralization above and below the 0.7% CuEq grade shell; and
- LHDH075 extending the high-grade zone to the south.

The assay results of these three holes are summarized as follows:

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq[1] (%)
LHDH073	124.0	1,000.0	876.0	0.56	0.28	2.1	0.74
incl.	216.0	912.0	696.0	0.60	0.31	2.2	0.80
incl.	314.0	524.0	210.0	0.76	0.45	2.8	1.06
LHDH074	42.0	1,058.3	1,016.3	0.45	0.31	1.9	0.65
incl.	136.0	890.0	754.0	0.52	0.30	2.0	0.71
and incl.	210.0	504.0	294.0	0.60	0.41	2.1	0.87
and incl.	606.0	746.0	140.0	0.64	0.29	2.5	0.83
and incl.	816.0	890.0	74.0	0.58	0.25	2.5	0.74

LHDH075	14.0	922.0	908.0	0.39	0.24	1.3	0.55
incl.	88.0	652.0	564.0	0.47	0.29	1.4	0.65
incl.	222.0	602.0	380.0	0.51	0.31	1.6	0.70
incl.	222.0	378.0	156.0	0.59	0.42	1.7	0.86

[1] CuEq for drill intersections is calculated based on US$ 3.50/lb Cu, US$ 1,700/oz Au and US$ 20/oz Ag, with metallurgical recoveries of 88% for copper, 76% for gold and 60% for silver based on a comprehensive program of metallurgical testwork. The formula is: CuEq % = Cu % + (0.6117 * Au g/t) + (0.0057 * Ag g/t).

Intersections of the high-grade zone by these holes are respectively represented by the 696m interval commencing at 216m for LHDH073, the 754m interval commencing at 136m for LHDH074, and the 380m interval starting at 222m for LHDH075.

The results from the first three holes of the 2022 program continue to validate the Company's improved understanding of the deposit's geology, and provide valuable information for the Company to further refine its understanding of the controls on the higher grades at Los Helados and highlight areas for potential further extension thereof.

Four additional holes have been completed to date, with assays pending and three holes are currently underway. The objective of these additional holes are as follows:

Hole	**Status**	**Objectives**
LHDH076	Completed	To test the gap between the main high-grade zone and the western zone of the deposit and to test potential extension of the western zone.
LHDH077	Completed	To test potential southern extension of the high-grade zone.
LHDH078	Completed	To test a resistivity anomaly at the northwest edge of the current Mineral Resource and to test potential northern extension of the deposit.
LHDH079	In Progress	To test for potential extension of high-grade zone at depth.
LHDH080	Completed	To test a northwest resistivity anomaly.
LHDH081	In Progress	To test potential extension of western zone.
LHDH082	In Progress	To test for potential extension of high-grade zone at depth.

Assay results for these holes will be released as they are received, analyzed and confirmed by the Company.

The data generated from the current drill program at Los Helados will form the basis for a revised geological model and will enable evaluation of alternate development scenarios for Los Helados, exploring optionality in scale of operations and mine plan strategies, which may illustrate alternate strategies for realization of value on this asset. In addition, the drill program will provide samples for additional detailed metallurgical testwork, which will allow for optimization of process flowsheets and a better understanding of variability within the orebody.

Valle Ancho Drill Program Successfully Completed; New Copper-Gold Porphyry System Discovered

The Company concluded its 2021/2022 field and drill program at the Valle Ancho copper-gold project in Catamarca Province, Argentina, in March 2022. Based on the results of previously completed reconnaissance work and geophysical surveys, the Company focused its drill program on three high priority targets and completed 3,060m of diamond drilling in 8 holes. The highlight of the program was the discovery of a new copper-gold porphyry system at the La Quebrada target with an intersection of 596.5m of 0.50% CuEq, which merits additional work to fully evaluate.

The Company completed five wide-spaced reconnaissance holes at La Quebrada during its 2021/2022 campaign, three of which intersected significant intervals of copper-gold mineralization consistent with a large porphyry system. The three discovery holes were drilled to respective depths of 601m, 271m and 431m, with each ending in mineralization.

At Nordin, hole VADH001 returned 150m at 1.05 g/t Au from surface, and VADH002 intersected 198m at 0.63 g/t Au from surface, including 70m at 0.94 g/t Au. This mineralization occurs completely within oxidized rock and is characterized by even grade distribution throughout the depth of each hole. Initial assessment and interpretation suggest that the mineralization discovered in these two holes is consistent with the style of mineralization observed in the neighbouring Maricunga Gold Belt in Chile.

Overall, the Company's first drill program at Valle Ancho has been considered a success. The discoveries made at La Quebrada and Nordin have validated the results of the Company's earlier reconnaissance and target generation work, and also confirm the prospectivity of the large and underexplored Valle Ancho land package located on the Argentinian side of the Maricunga Gold Belt.

All assay results from the Company's 8-hole campaign at Valle Ancho have now been received and are summarized as follows:

Nordin Target – Near Surface, Oxide Gold Discovery

Hole-ID	From (m)	To (m)	Length (m)	Au (g/t)	Ag (g/t)
VADH001	0.0	150.0	150.0	1.05	0.67
incl.	4.0	128.0	124.0	1.21	0.73
incl.	36.0	56.0	20.0	2.12	0.59
VADH002	0.0	198.0	198.0	0.63	0.44
incl.	0.0	70.0	70.0	0.94	0.46

La Quebrada Target – Copper-gold Porphyry Discovery

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq[1] (%)
VADH003	4.0	600.5	596.5	0.23	0.37	1.4	0.50
incl.	4.0	108.0	104.0	0.25	0.50	1.5	0.62
incl.	350.0	600.5	250.5	0.23	0.40	1.6	0.53
VADH004	No significant values						
VADH005	0.0	271.0	271.0	0.12	0.26	1.1	0.32
incl.	76.0	271.0	195.0	0.14	0.29	1.2	0.36
incl.	138.0	224.0	86.0	0.15	0.33	1.5	0.40
VADH006	8.0	431.0	423.0	0.19	0.27	2.2	0.40
incl.	162.0	270.0	108.0	0.22	0.38	1.9	0.50
incl.	292.0	428.0	136.0	0.25	0.32	4.2	0.50
VADH007	No significant values						

[1] CuEq for drill intersections is calculated based on US$ 3.50/lb Cu, US$ 1,700/oz Au and US$ 20/oz Ag, with metallurgical recoveries of 80% assumed for all metals. The formula is: CuEq % = Cu % + (0.7083 * Au g/t) + (0.0083 * Ag g/t).

Anomalia 4 Target

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq (%)
VADH008	No significant values						

The Company is now analyzing the assays from the 2021/2022 drill campaign alongside the results of regional prospecting and target development work. In addition, the Company is planning the next phase of work at La Quebrada and Nordin. Ongoing data compilation and analysis will also seek to evaluate other areas of interest for future exploration and drill programs at Valle Ancho.

The Company's interest in the Valle Ancho project, comprised of the Valle Ancho and Interceptor properties, is held through an option agreement with the Province of Catamarca, whereby it may earn a 100% interest in Valle Ancho, by making US$8.0 million in total project expenditures by the end of 2022. As of the date of this MD&A, the Company anticipates making the remaining earn-in expenditures prior by the required deadline with additional expenses related, but not limited, to ongoing technical consultation with respect to, and analysis of, the results of the Company's first drill campaign at Valle Ancho, which may include developing preliminary geological models and interpretations.

Potential Impacts of COVID-19

The Company's current plans are subject to certain risks and uncertainties, including, but not limited to, the ongoing COVID-19 pandemic. 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.

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	**Mar-22**	**Dec-21**	**Sep-21**	**Jun-21**	**Mar-21**	**Dec-20**	**Sep-20**	**Jun-20**
Exploration costs ($000's)	8,582	3,518	1,390	356	402	563	390	484
Operating loss ($000's)	9,266	4,188	1,863	810	833	1,302	1,684	829
Net loss ($000's)	8,676	2,390	1,491	784	793	1,302	1,678	843
Net loss per share, basic and diluted ($)	0.06	0.01	0.01	0.01	0.01	0.01	0.01	0.01

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 a net loss of $8.7 million for the three months ended March 31, 2022 (2021: $0.8 million), including an operating loss of $9.3 million (2021: $0.8 million). Exploration and project investigation costs are the most significant expenditure category of the Company and for the three months ended March 31, 2022 accounted for approximately 93% of the operating loss (2021: 48%). 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 months ended March 31, 2022 were $8.6 million (2021: $0.4 million). The increase for the three months ended March 31, 2022 is due to the Company's undertaking of simultaneous field and drill programs at the Valle Ancho properties in the Province of Catamarca, Argentina, and the Los Helados properties in Region III, Chile, as discussed in the "Q1 2022 Operating Highlights" section above. By comparison, during the three months ended March 31, 2021, the Company was focused on business development initiatives and did not conduct any significant field work at its mineral properties due to the safety concerns at the time related to the COVID-19 pandemic.

Excluding share-based compensation, administration costs for the three months ended March 31, 2022 totaled $0.4 million (2021: $0.3 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 months ended March 31, 2022 were marginally higher than the 2021 comparative period due primarily to higher travel and promotional costs. During the three months ended March 31, 2021, the Company had curtailed all non-essential business travel and had reduced its discretionary spending, including promotional costs, in response to COVID-19 and the resulting uncertainty and heightened volatility in public markets. The Company has resumed these activities in late 2021, resulting in higher costs for the first quarter of 2022.

The Company recognized net monetary gain of $113,459 during the three months ended March 31, 2022 (2021: $3,797), in relation to the application of hyperinflationary accounting for the Company's Argentine subsidiaries. The monetary gain ecognized is 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 unaudited condensed interim consolidated financial statements for the three months ended March 31, 2022.

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 months ended March 31, 2022, the Company recognized a gain of $459,908 (2021: $42,680) on the use of marketable securities for this purpose, which represents the net benefit of having used this funding mechanism over traditional methods. The increase in the gain is the result of more funding provided to its Argentine subsidiaries during the three months ended March 31, 2022, compared to the 2021 comparative period.

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 gain of $183,875 for the three months ended March 31, 2022 (2021: loss of $113,789) on translation of subsidiary company accounts from their functional currency to the Canadian dollar presentation currency. For the three months ended March 31, 2022, the foreign currency translation gain is primarily the result of fluctuations of the Canadian dollar relative to the Chilean peso over the period. In addition, for the three months ended March 31 2022, the impacts of hyperinflation amounted to a loss of $119,838 (2021: $8,868) and consists of adjustments recognized on the continuing inflation of non-monetary balances during the period and the ongoing translation of the Company's Argentine subsidiary into the Canadian dollar presentation currency.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2022, the Company had cash of $16.0 million and net working capital of $11.6 million, compared to cash of $21.0 million and net working capital of $20.0 million as at December 31, 2021. The Company's cash and net working capital balance decreased during the three months ended March 31, 2022 due primarily to funds used in operations, including option payments made for the Los Helados properties, and for general corporate purposes. This was partially offset by gross proceeds of $0.2 million received by the Company on the exercise of stock options during the three months ended March 31, 2022 (2021: $nil).

The Company anticipates that it will deploy the majority of its treasury to fund ongoing work programs at Los Helados in Chile and Valle Ancho in Argentina and also to support general corporate and working capital purposes.

Maturation of 2021 Facility

In February 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"), 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 defined by Canadian securities regulations, and are related parties of the Company by virtue of their combined shareholding in the Company in excess of 20%.

The 2021 Facility matured on February 19, 2022 with no amounts drawn or owing. No interest was paid in cash during its term.

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, during the three months ended March 31, 2022, the Company also engaged with Josemaria Resources Inc. ("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 March 31, 2022	2021
Management Services to Josemaria	29,432	14,532
Management Services to Filo Mining	93,062	134,303
Management Services from Josemaria	-	(21,784)
Management Services from Filo Mining	(189,078)	(89,469)
Exploration Consultation from MOAR	(12,750)	(24,375)

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	March 31, 2022	December 31, 2021
Receivables and other assets	Josemaria	32,633	27,996
Receivables and other assets	Filo Mining	67,466	24,343
Accounts payable and accrued liabilities	Josemaria	-	(1,667)
Accounts payable and accrued liabilities	Filo Mining	(90,109)	(15,113)
Accounts payable and accrued liabilities	MOAR	(17,675)	-

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 March 31, 2022	2021
Salaries and other payments	123,500	118,500
Short-term employee benefits	4,371	3,567
Directors fees	20,500	20,500
Stock-based compensation	228,396	105,183
	376,767	**247,750**

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, 2021, as filed on SEDAR at www.sedar.com on April 13, 2022.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS, including the condensed interim consolidated financial statements for the three months ended March 31, 2022, 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 2021 MD&A filed on SEDAR at www.sedar.com on April 13, 2022.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables and other assets, trade payables and accrued liabilities, 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 March 31, 2022 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 is minimized through the management of its capital structure and by maintaining good relationships with significant shareholders and creditors, such as Zebra and Lorito. The Company also closely monitors and reviews its costs to date and actual cash flows on a monthly basis.

The maturities of the Company's financial liabilities as of March 31, 2022 are as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	5,376,629	5,376,629	-	-
Due to exploration partner	4,254,561	-	-	**4,254,561**
Total	**9,631,190**	**5,376,629**	**-**	**4,254,561**

In accordance with the terms of a Joint Exploration Agreement between the Company and the partner, NCR, the Company is required to fund NCR's share of exploration expenditures related to the La Rioja properties (the "Obligation"). The undiscounted value of the Obligation remained US$3.4 million as at March 31, 2022, 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 $388,067 at March 31, 2022. 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 March 31, 2022, the Company's largest foreign currency risk exposure existed at the level of its Chilean operating subsidiary, where the Company held a net financial asset position denominated in US dollars having a Canadian dollar equivalent of approximately $2.1 million. A 10% change in the foreign exchange rate between the US dollar, and the Chilean Peso, the subsidiary's functional currency, would give rise to increases/decreases of approximately $210,000 in financial position/comprehensive loss.

OUTSTANDING SHARE DATA

As at May 19, 2022, the Company had 156,698,844 common shares outstanding and 10,513,334 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 2021 MD&A, as filed on SEDAR at www.sedar.com on April 13, 2022.

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 copper equivalent cutoff grade. For the Mineral Resource estimate, copper equivalent at the time was calculated using US$3.00/lb copper, US$ 1,300/oz gold and US$23/oz silver, and included a provision for selling costs and metallurgical recoveries corresponding to three zones defined by depth below surface. The formulas used were: 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).

Copper equivalent values reported for the 2021/2022 Valle Ancho and 2022 Los Helados drill results were based on US$ 3.50/lb Cu, US$ 1,700/oz Au and US$ 20/oz Ag. Respective assumed metal recoveries and CuEq formulae are as presented in the footnote to the associated tables of summarized drill results (see "Q1 2022 Operating Highlights" section above).

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.

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, changes in share price; 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 size, scope and results of the Company's current exploration program at Los Helados, including the expected timing of receipt of pending assay results therefrom and conclusion thereof; whether current interpretation of the exploration and/or drill results to date at Valle Ancho will be confirmed by future work, including statements regarding the prospectivity or significance of the Valle Ancho land package or portions thereof; exploration and development plans and expenditures, including those pertaining to Valle Ancho and the 2021/2022 program at Los Helados; 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 by December 31, 2022; the timing and nature of work undertaken to advance the Los Helados Project or the Valle Ancho Project; the future uses of the Company's cash and working capital; 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 Resource classification, or the conversion of Indicated Resources to a Measured Resource 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	**March 31, 2022**	**December 31, 2021**
ASSETS			
Current assets:			
Cash		$ 15,971,926	$ 21,000,042
Receivables and other assets	*4*	1,031,912	929,612
		17,003,838	21,929,654
Non-current assets:			
Receivables and other assets	*4*	206,360	242,199
Equipment		23,125	23,968
Mineral properties	*5*	3,892,338	3,537,087
		4,121,823	3,803,254
TOTAL ASSETS		21,125,661	25,732,908
LIABILITIES			
Current liabilities:			
Trade payables and accrued liabilities		5,376,629	1,955,816
Non-current liabilities:			
Due to exploration partner	*7*	388,067	393,719
TOTAL LIABILITIES		5,764,696	2,349,535
SHAREHOLDERS' EQUITY			
Share capital	*8*	67,817,057	67,523,831
Contributed surplus		1,913,584	1,616,855
Deficit		(51,919,549)	(43,243,149)
Accumulated other comprehensive loss		(2,450,127)	(2,514,164)
TOTAL SHAREHOLDERS' EQUITY		15,360,965	23,383,373
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 21,125,661	$ 25,732,908

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)

		Three months ended	**March 31,**
	Note	**2022**	**2021**
Expenses			
Exploration and project investigation	*10*	$ 8,581,514	$ 401,668
General and administration:			
Salaries and benefits		216,594	200,300
Share-based compensation	*9c*	293,770	110,164
Management fees		36,000	32,160
Professional fees		30,292	42,976
Travel		12,878	-
Promotion and public relations		40,036	5,524
Office and general		55,003	40,322
Operating loss		9,266,087	833,114
Other expenses (income)			
Financing costs		11,472	11,331
Foreign exchange gain		(27,792)	(5,158)
Net monetary gain	*3*	(113,459)	(3,797)
Gain on use of marketable securities, net	*13*	(459,908)	(42,680)
Net loss		8,676,400	792,810
Other comprehensive loss			
Items that may be reclassified subsequently to net loss:			
Foreign currency translation adjustment		(183,875)	113,789
Impact of hyperinflation	*3*	119,838	8,868
Comprehensive loss		$ 8,612,363	$ 915,467
Basic and diluted loss per common share		$ 0.06	$ 0.01
Weighted average common shares outstanding		156,603,622	124,813,208

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	Three months ended March 31, 2022	2021
Cash flows used in operating activities			
Net loss for the period		$ (8,676,400)	$ (792,810)
Adjustments to reconcile net loss to net operating cash flows:			
Depreciation		2,237	1,752
Share-based compensation	*9c*	379,780	129,006
Finance costs		11,472	11,331
Foreign exchange gain		(5,652)	(5,256)
Net monetary loss		38,940	976
Net changes in working capital and other items:			
Receivables and other		(48,216)	(598,094)
Trade payables and accrued liabilities		3,447,793	386,444
		(4,850,046)	(866,651)
Cash flows from (for) financing activities			
Drawdown of credit facility		-	566,865
Proceeds from option exercises		210,175	-
Payments made on behalf of exploration partner		(8,138)	(7,041)
		202,037	559,824
Cash flows used in investing activities			
Mineral properties and related expenditures	*5*	(126,220)	(125,756)
		(126,220)	(125,756)
Effect of exchange rate change on cash		(253,887)	(17,866)
Decrease in cash during the period		(5,028,116)	(450,449)
Cash, beginning of the period		$ 21,000,042	$ 898,818
Cash, end of the period		$ 15,971,926	$ 448,369

Non-cash Financing Activities (Note 6)

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, 2021		124,793,652	$ 43,053,810	$ 1,058,841	$ (37,786,415)	$ (1,884,409)	$ 4,441,827
Share-based compensation		-	-	129,006	-	-	129,006
Shares issued pursuant to credit facility		40,000	24,000	-	-	-	24,000
Net loss and other comprehensive loss		-	-	-	(792,810)	(122,657)	(915,467)
Balance, March 31, 2021		**124,833,652**	**$ 43,077,810**	**$ 1,187,847**	**$ (38,579,225)**	**$ (2,007,066)**	**$ 3,679,366**
Balance, January 1, 2022		156,291,344	$ 67,523,831	$ 1,616,855	$ (43,243,149)	$ (2,514,164)	$ 23,383,373
Share-based compensation	*9c*	-	-	379,780	-	-	379,780
Shares issued pursuant to stock option exercises	*9b*	397,500	293,226	(83,051)	-	-	210,175
Net loss and other comprehensive loss		-	-	-	(8,676,400)	64,037	(8,612,363)
Balance, March 31, 2022		**156,688,844**	**$ 67,817,057**	**$ 1,913,584**	**$ (51,919,549)**	**$ (2,450,127)**	**$ 15,360,965**

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

1. NATURE OF OPERATIONS

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".

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, 2021. 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, 2021.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 19, 2022.

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.

(Expressed in Canadian Dollars, unless otherwise stated)

The Company recognized a loss of $119,838 for the three months ended March 31, 2022 (2021: $8,868) 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 months ended March 31, 2022, the Company recognized a net monetary gain of $113,459 (2021: $3,797) to adjust transactions recorded during the period into a measuring unit current as of March 31, 2022.

The level of the IPC at March 31, 2022 was 676.1 (December 31, 2021: 582.5), which represents an increase of approximately 16% over the IPC at December 31, 2021, and an approximate 6% increase over the average level of the IPC during the three months ended March 31, 2022.

4. RECEIVABLES AND OTHER ASSETS

	March 31, 2022	**December 31, 2021**
Current		
Taxes receivable	64,813	49,076
Other receivables and advances	131,973	193,059
Other prepaid expenses and deposits	835,126	687,477
	1,031,912	**929,612**
Non-current		
Taxes receivable	78,851	86,489
Deferred surface access rights	127,509	155,710
	206,360	**242,199**

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.

(Expressed in Canadian Dollars, unless otherwise stated)

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 reduced payments receivable by the holders of the surface rights in return for a reduction in permitted activities by the Company at the Los Helados properties over its term. As a result, the payments by the Company to the holders of the surface rights were reduced to a total of US$400,000 over the term of the Interim Surface Access Agreement, with US$200,000 paid upon execution in January 2021 and the remainder paid in January 2022.

As the payments related to the Interim Surface Access Agreement provide the Company the benefit of access for the period ending January 26, 2024, the pro rata portion relating to the 12 months ending March 31, 2023 has been classified as a current asset, whereas all other amounts have been classified as non-current.

On November 30, 2021, the Company and the owners of the surface rights executed an addendum to the Interim Surface Access Agreement, whereby in exchange for an incremental US$300,000 payment, the Company temporarily reinstated its access rights as per the Original Surface Access Agreement for a period ending December 31, 2022 (the "Addendum"). Following the termination of the Addendum until January 26, 2024, the restricted surface access rights of the Interim Surface Access Agreement will be in effect and the Company's permitted activities at the Los Helados properties will be limited to the conduct of environmental data collection, site visits, and general maintenance of the properties.

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 exceeded 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
Balance at January 1, 2021	**$ 4,105,871**
Additions	125,756
Effect of foreign currency translation	(694,540)
Balance at December 31, 2021	**$ 3,537,087**
Additions	126,220
Effect of foreign currency translation	229,031
Balance at March 31, 2022	**$ 3,892,338**

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 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 kilometres from the Los Helados properties.

As at March 31, 2022, the Company holds an approximate 66% 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 and Interceptor properties (collectively, the "Valle Ancho Properties"), located in Catamarca, Argentina, by making US$8.0 million in qualifying exploration 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 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 defined by Canadian securities regulations, and are related parties of the Company by virtue of their combined shareholding in the Company in excess of 20%.

During the three months ended March 31, 2022, the Company made no draws against this facility (2021: US$450,000) and it matured on February 19, 2022 with no amounts drawn or owing. No interest was 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 was entitled to receive an additional 600 common shares each month, for every US$50,000 in principal outstanding, prorated accordingly for the number of days outstanding. During the three months ended March 31, 2022 the Company issued no common shares to Zebra or Lorito in connection with the facility (2021: 40,000) and recognized $3,334 (2021: $4,290) in financing costs through the consolidated statement of comprehensive loss, which related to the amortization of the Commitment Shares issued in February 2021.

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 March 31, 2022, 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%.

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.

(Expressed in Canadian Dollars, unless otherwise stated)

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, 2021	8,135,000	$ 0.57
Granted	2,280,000	0.68
Exercised	(101,666)	0.57
Expired or forfeited	(1,152,500)	0.81
Balance at December 31, 2021	9,160,834	$ 0.56
Options granted	1,760,000	1.65
Exercised	(397,500)	0.53
Balance at March 31, 2022	10,523,334	$ 0.75

On January 11, 2022, the Company granted a total of 1,760,000 share options to officers, employees, directors and other eligible persons at an exercise price of $1.65 per share.

The Company uses the Black-Scholes option pricing model to estimate the fair value for all options granted and the resulting stock-based compensation. The weighted average assumptions used in this pricing model, and the resulting fair values per option, for the 1,760,000 share options granted during the three months ended March 31, 2022, are as follows:

(i) Risk-free interest rate: 1.23%
(ii) Expected life: 5 years
(iii) Expected volatility: 62.13%
(iv) Expected dividends: nil
(v) Fair value per option: $0.87

The following table details the share options outstanding and exercisable as at March 31, 2022:

	Outstanding options			Exercisable options		
Exercise price	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	3,185,000	2.49	$0.475	3,185,000	2.49	$0.475
$0.54	2,483,334	3.67	$0.54	1,646,668	3.67	$0.54
$0.68	3,095,000	3.68	$0.68	915,000	1.91	$0.68
$1.65	1,760,000	4.79	$1.65	-	-	-
	10,523,334	3.50	$0.75	5,746,668	2.74	$0.53

(Expressed in Canadian Dollars, unless otherwise stated)

c) Share-based compensation

	Three months ended March 31,	
	2022	**2021**
Exploration and project investigation	86,010	18,842
General and administration	293,770	110,164
	379,780	**129,006**

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 months ended March 31, 2022 and 2021:

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended March 31,		Los Helados Project	Valle Ancho	Other	Total
2022	Land holding and access costs	160,256	93	6,086	166,435
	Drilling, fuel, camp costs and field supplies	2,706,622	1,312,827	-	4,019,449
	Roadwork, travel and transport	1,212,258	591,804	-	1,804,062
	Consultants, geochemistry and geophysics	169,381	152,747	-	322,128
	Environmental and community relations	55,934	23,132	-	79,066
	VAT and other taxes	746,574	611,027	4,850	1,362,451
	Office, field and administrative salaries, overhead and other administrative costs	222,388	437,550	12,315	672,253
	Share-based compensation	53,624	32,386	-	86,010
	COVID-19-related health and safety	-	69,660	-	69,660
	Total	**5,327,037**	**3,231,226**	**23,251**	**8,581,514**
2021	Land holding and access costs	59,294	-	8,040	67,334
	Fuel, camp costs and field supplies	43,708	704	21	44,433
	Roadwork, travel and transport	8,471	4,288	3	12,762
	Consultants, geochemistry and geophysics	6,139	13,339	25,375	44,853
	Environmental and community relations	9,701	321	-	10,022
	VAT and other taxes	12,717	20,186	3,727	36,630
	Office, field and administrative salaries, overhead and other administrative costs	53,148	102,823	10,821	166,792
	Share-based compensation	9,508	6,972	2,362	18,842
	Total	**202,686**	**148,633**	**50,349**	**401,668**

(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 consolidated financial statements, during the three months ended March 31, 2022, the Company also engaged 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 March 31, 2022	2021
Management Services to Josemaria	29,432	14,532
Management Services to Filo Mining	93,062	134,303
Management Services from Josemaria	-	(21,784)
Management Services from Filo Mining	(189,078)	(89,469)
Exploration Consultation from MOAR	(12,750)	(24,375)

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	March 31, 2022	December 31, 2021
Receivables and other assets	Josemaria	32,633	27,996
Receivables and other assets	Filo Mining	67,466	24,343
Accounts payable and accrued liabilities	Josemaria	-	(1,667)
Accounts payable and accrued liabilities	Filo Mining	(90,109)	(15,113)
Accounts payable and accrued liabilities	MOAR	(17,675)	-

(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 March 31,	
	2022	**2021**
Salaries and other payments	123,500	118,500
Short-term employee benefits	4,371	3,567
Directors fees	20,500	20,500
Stock-based compensation	228,396	105,183
	376,767	**247,750**

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 Valle Ancho Project, 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 March 31, 2022	Current assets	4,834,814	309,802	11,859,222	17,003,838
	Non-current receivables and other assets	127,509	78,851	-	206,360
	Equipment	-	23,125	-	23,125
	Mineral properties	3,892,338	-	-	3,892,338
	Total assets	8,854,661	411,778	11,859,222	21,125,661
	Current liabilities	3,837,929	1,115,112	423,588	5,376,629
	Due to exploration partner	-	-	388,067	388,067
	Total liabilities	3,837,929	1,115,112	811,655	5,764,696

		Los Helados Project	Valle Ancho	Corporate	Total
As at December 31, 2021	Current assets	1,077,512	2,472,602	18,379,540	21,929,654
	Non-current receivables and other assets	155,710	86,489	-	242,199
	Equipment	-	23,968	-	23,968
	Mineral properties	3,537,087	-	-	3,537,087
	Total assets	4,770,309	2,583,059	18,379,540	25,732,908
	Current liabilities	537,961	1,158,217	259,638	1,955,816
	Due to exploration partner	-	-	393,719	393,719
	Total liabilities	537,961	1,158,217	653,357	2,349,535

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended March 31,		Los Helados Project	Valle Ancho	Corporate	Other	Total
2022	Exploration and project investigation	5,327,037	3,231,226	-	23,251	8,581,514
	Gain on use of marketable securities	-	(459,908)	-	-	(459,908)
	General and administration and other items	18,443	(114,110)	650,461	-	554,794
	Net loss	5,345,480	2,657,208	650,461	23,251	8,676,400
		Los Helados Project	**Valle Ancho**	**Corporate**	**Other**	**Total**
2021	Exploration and project investigation	202,686	148,633	-	50,349	401,668
	Gain on use of marketable securities	-	(42,680)	-	-	(42,680)
	General and administration and other items	17,814	(2,830)	418,838	-	433,822
	Net loss	220,500	103,123	418,838	50,349	792,810

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. Accordingly, 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 months ended March 31, 2022, the Company realized a net gain of $459,908 (2021: $42,680). The net gain for the three months ended March 31, 2022 was comprised of a favorable foreign currency impact of $585,129 (2021: $51,212) and a trading loss of $125,221 (2021: $8,531), including the impact of fees and commissions.

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Officers

Wojtek Wodzicki, President and CEO
Jeff Yip, Chief Financial Officer
Bob Carmichael, Vice President Exploration
Judy McCall, Corporate Secretary

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Adam I. Lundin
David Mullen
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Neil O'Brien

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Share Listing

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