NGEX MINERALS LTD.

2023 FIRST QUARTER REPORT

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

For the Three Months Ended March 31, 2023
(UNAUDITED)

NGEX MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
THREE MONTHS ENDED MARCH 31, 2023
(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, 2023 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 15, 2023. 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 copper-gold and gold exploration projects in Argentina and Chile. 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. 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 current flagship asset is its Los Helados copper-gold deposit, located in Region III of Chile ("Los Helados", the "Los Helados Property" or the "Los Helados Project"). The Company is the majority (approximately 69%) partner and operator of the Los Helados Project, which is subject to a Joint Exploration Agreement (the "JEA") with its partner (approximately 31%), 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 currently operates the Caserones Mine, located approximately 15km from Los Helados. NCR's interest in the Caserones Mine is held through a subsidiary that is subject to a recently announced purchase agreement whereby Lundin Mining Corporation will acquire a controlling stake.

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 Los Helados 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.

In addition, the Company owns a 100% interest in the Potro Cliffs copper-gold exploration target ("Potro Cliffs"), located in San Juan Province, Argentina. Potro Cliffs is the largest untested hydrothermal system in the emerging Vicuña District, which hosts several sizeable copper-gold deposits, such as Josemaria, Filo del Sol, and the Company's Los Helados Project. The Potro Cliffs target lies along the same major north-northeast structural trend that controls the Filo del Sol deposit located approximately 7 km to the south and Los Helados located approximately 9 km to the north. Initial drill results from the maiden drill campaign at Potro Cliffs undertaken during the first half of 2023 resulted in the discovery of a significant new zone of high-grade copper, gold and silver mineralization, which includes some of the highest copper grades drilled to date in the Vicuña District and intersected globally in recent years (see "Q1 2023 Operating Highlights and Outlook" section below). Following up on these initial findings will be a focus for the Company moving forward.

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

Q1 2023 OPERATING HIGHLIGHTS AND OUTLOOK

Initial Drill Program at Potro Cliffs Delivers High-grade Discovery

In January 2023, the Company initiated its maiden drill program at Potro Cliffs in San Juan Province, Argentina, a highly prospective exploration target located in the middle of the Vicuña District. Two initial reconnaissance holes, DPDH001 and DPDH002, were respectively drilled at the top and bottom of the cliffs. Hole DPDH002 intersected multiple zones of massive to semi-massive sulphide veins and breccias, including:

- 4.0m at 8.44% CuEq from 150.0m;
- 60.0m at 7.52% CuEq from 212.0m;
    - Including 10.0m at 18.00% CuEq and 6.0m at 14.00% CuEq; and
- 10.0m at 7.08% CuEq from 574.0m.

The initial results from DPDH002 are currently interpreted to be the first intercepts into the edges of a significant new copper-gold system, which would be the fourth major deposit discovered in the giant metal district by the Company or its predecessor entities. The style of mineralization intersected typically occurs above, or lateral to, porphyry copper-gold systems and the grades and thickness of the mineralization observed in DPDH002 are positive indicators of the strength and potential of the system that is the source of these high-grade structures.

Assay results from hole DPDH002 are summarized as follows:

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq[1] (%)
DPDH002	150.0	154.0	4.0	5.81	2.62	81.5	8.44
plus	212.0	272.0	60.0	5.65	2.04	44.0	7.52
incl.	226.0	236.0	10.0	14.19	4.07	94.0	18.00
incl.	244.0	250.0	6.0	10.57	3.73	80.0	14.00
plus	308.0	312.0	4.0	3.99	0.26	44.5	4.57
plus	340.0	342.0	2.0	2.77	1.41	25.0	4.02
plus	434.0	436.0	2.0	1.68	1.03	15.0	2.56
plus	520.0	524.0	4.0	2.53	0.52	112.0	3.89
plus	564.0	566.0	2.0	3.01	1.02	36.0	4.07
plus	574.0	584.0	10.0	3.70	1.51	259.4	7.08
incl.	580.0	582.0	2.0	11.81	4.70	1,165.0	25.49
plus	598.0	600.0	2.0	1.65	2.36	31.0	3.64
plus	644.0	648.0	4.0	3.90	4.37	61.0	7.62
plus	650.0	652.0	2.0	1.04	0.19	3.0	1.21
plus	672.0	674.0	2.0	1.25	0.56	7.0	1.72
plus	676.0	678.0	2.0	1.36	0.24	6.0	1.59

[1] CuEq for drill intersections is calculated based on US$ 3.00/lb Cu, US$ 1,500/oz Au and US$ 18/oz Ag, with 80% metallurgical recoveries assumed for all metals. The formula is: CuEq % = Cu % + (0.7292 * Au g/t) + (0.0088 * Ag g/t).

[2] Lengths reported are drilled lengths, additional drilling is required in order to establish geometry and true widths of the mineralized zones.

Following the discovery in hole DPDH002, the program was immediately expanded and to date six holes totalling 3,969 metres have now been completed, with an additional two holes in progress. A summary of the technical objectives and status of each of these holes is provided below:

Hole-ID	Description and Status
DPDH001	Collared at top of cliffs; Testing surface geochemical anomalies; AZ 270/-70; Completed to 929m; Assays pending
DPDH003	Collared at top of cliffs; Testing surface geochemical anomalies; AZ 110/ -70; Suspended at 350m; Rig repositioned to follow up DPDH002; Assays pending
DPDH004	Same platform as DPDH002; Testing up dip extent of high-grade mineralization; AZ 270/-50; Completed to 599m; Assays Pending
DPDH005	Collared at bottom of cliffs; Step-out 100m to south of DPDH002; AZ 270/-70; Completed to 992m; Assays Pending
DPDH006	Same platform as DPDH002; Testing orientation and extent of high-grade mineralization; AZ 270/-80; Completed to 380m; Assays Pending
DPDH007	Collared 100 metres east of DPDH002; Testing extension of high-grade mineralization; AZ 270/-55; In progress,
DPDH008	Same platform as DPDH005; AZ 270/-55; In progress

With the onset of winter, the Company is concluding its final two holes of the highly successful drill campaign. Over the winter months in South America, the Company will review this season's drill results, along with geophysical survey data gathered during the campaign, to develop a follow-up program commencing in late 2023.

Assay results from the remaining holes of the 2023 Potro Cliffs drill program will be released as they are received, analyzed and confirmed by the Company.

Continued Extension of Multiple High-grade Zones at Los Helados

During the first quarter of 2023, the Company continued its 2022-2023 drill campaign at Los Helados, located in Region III, Chile. The program, which commenced in November 2022, has focused primarily on defining the geometry and size of the Fenix and Alicanto Zones, additional high-grade centres that were identified at Los Helados in early 2022. These zones are distinct from, and in addition to, the Condor Zone, the high-grade breccia phase at the core of the deposit, around which the Los Helados Mineral Resource estimate is centered.

During the three months ended March 31, 2023, and the period subsequent thereto, the Company has received and released preliminary assay results from the 2022-2023 campaign, which have successfully confirmed continuity and extension of all three zones. Highlights include:

Fenix Zone

- LHDH081, which drilled across the Fenix Zone and returned 1,168.8m at 0.43% CuEq, successfully extending the zone 130m to the northwest.
- LHDH084 extended the Fenix Zone to the south with the highest grade intersection of the zone to date.

Alicanto Zone

- LHDH083 and LHDH086 successfully extended the mineralization 90m east and 60m west of the discovery hole, LHDH078.

Condor Zone

- LHDH079 and LHDH082 both provided extension and confirmation of continuity, with the former returning 1,215.2m at 0.43% CuEq, including 256.9m at 0.65% CuEq and 100.2m at 0.64% CuEq, and the latter intersecting 981.3m at 0.48% CuEq, including 826.0m at 0.73% CuEq within a broader intersection of 489.7m at 0.60% CuEq.

In addition, holes completed to date in the Fenix Zone have returned some of the highest grades ever encountered at the project. Namely, LHDH081-2 intersected 343.8m at 0.90% CuEq, including 63.8m at 1.25% CuEq, LHDH081-3 intersected 234.0m at 0.90% CuEq, including 28.0m at 1.49% CuEq, and LHDH084 intersected 390.0m at 1.13% CuEq. These results demonstrate the potential for the Fenix Zone to develop into a significant new centre of mineralization for the deposit, and also illustrate the broader opportunity for new satellite zone discoveries to increase the Mineral Resource at Los Helados. Intersections from the recently drilled holes in the Fenix and Alicanto Zones have returned notable molybdenum (Mo) grades, which significantly exceed the averages observed at the deposit to date.

Assay results received, analyzed and released by the Company in relation to the 2022-2023 Los Helados program are summarized as follows:

Hole-ID	From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)	CuEq[1] (%)	Mo (ppm)	Zones Intersected
LHDH079	148.0	1,363.2	1,215.2	0.32	0.18	1.5	0.43	28	Condor Zone
incl.	676.0	932.9	256.9	0.54	0.16	2.6	0.65	26	
and incl.	985.8	1,086.0	100.2	0.53	0.17	1.4	0.64	21	
LHDH081	436.0	1,604.8	1,168.8	0.37	0.08	1.8	0.43	32	Fenix Zone
incl.	1,144.0	1,364.0	220.0	0.63	0.12	2.6	0.72	66	
LHDH081-2	770.7	1,549.8	779.1	0.54	0.10	2.0	0.61	121	Fenix Zone
incl.	1,206.0	1,549.8	343.8	0.81	0.12	2.5	0.90	204	
incl.	1,486.0	1,549.8	63.8	1.14	0.14	3.6	1.25	741	

LHDH081-3	814.0	1,266.0	452.0	0.54	0.15	1.3	0.64	57	Fenix Zone
incl.	1,032.0	1,266.0	234.0	0.76	0.22	1.7	0.90	69	
incl.	1,032.0	1,186.0	154.01	0.85	0.25	1.8	1.02	80	
incl.	1,238.0	1,266.0	28.0	1.25	0.36	2.6	1.49	91	
LHDH082	152.0	1,133.3	981.3	0.38	0.15	1.7	0.48	28	Condor Zone
incl.	550.0	1,039.7	489.7	0.46	0.20	1.9	0.60	30	
incl.	826.0	968.0	142.0	0.55	0.26	2.3	0.73	23	
LHDH083	514.0	1,140.0	626.0	0.46	0.20	1.9	0.59	74	Alicanto Zone
incl.	678.0	724.0	46.0	0.28	0.96	1.2	0.87	30	
and incl.	884.0	1,006.1	122.1	0.94	0.14	2.7	1.05	190	
LHDH084	728.0	1,500.0	772.0	0.67	0.11	1.7	0.74	119	Fenix Zone
incl.	1,1110	1,500.0	390.0	1.02	0.15	2.4	1.13	187	
LHDH086	938.0	1,042.0	104.0	0.60	0.14	2.2	0.69	48	Alicanto Zone
incl.	998.0	1,042.0	44.0	0.75	0.22	2.7	0.90	50	

[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). Molybdenum grades are not included in the CuEq calculation.

[2] Los Helados hosts large-scale porphyry and associated breccia mineralization and drilled lengths are interpreted to be approximate true widths.

Most of the new drilling into the Fenix and Alicanto Zones is outside of the current Los Helados Mineral Resource and both zones remain open to expansion in several directions.

As of the date of this MD&A, several additional holes have been completed with assays underway, and the final hole of the campaign, LHDH087, is nearing completion. A summary of the status and drilling direction of each of these holes is provided below:

Hole	**Zones**	**Status**	**Drilling Direction**
LHDH085	Fenix	Completed to target depth; Assays pending	North to South to intersect 140m east of LHDH076
LHDH086-1	Alicanto	Completed to target depth; Assays pending	100m step-out to the east of LHDH078
LHDH086-2	Alicanto	Completed to target depth; Assays pending	100m step-out to the south of LHDH078
LHDH087	Fenix	In Progress	West of LHDH081-2 and LHDH084
LHDH088	Fenix	Hole lost; Assays pending	North to South between LHDH076 and LHDH084

Assay results will be released as they are received, analyzed and confirmed by 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-23	Dec-22	Sep-22	Jun-22	Mar-22	Dec-21	Sep-21	Jun-21
Exploration costs ($000's)	15,122	6,038	4,539	9,765	8,582	3,518	1,390	356
Operating loss ($000's)	16,483	8,384	6,243	10,497	9,296	4,213	1,863	810
Net loss ($000's)	15,167	8,020	6,068	9,651	8,676	2,390	1,491	784
Net loss per share, basic and diluted ($)	0.09	0.04	0.04	0.06	0.06	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 $15.2 million for the three months ended March 31, 2023 (2022: $8.7 million), including an operating loss of $16.5 million (2022: $9.3 million). Exploration and project investigation costs are the most significant expenditure category of the Company and for the three months ended March 31, 2023, accounted for approximately 92% of the operating loss (2022: 92%). 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, 2023, were $15.1 million (2022: $8.6 million). The increase for the three months ended March 31, 2023, is primarily due to the substantial drill campaigns undertaken simultaneously at Los Helados and Potro Cliffs throughout the first quarter, as discussed in the "Q1 2023 Operating Highlights and Outlook" section above. For the comparative 2022 period, the Company also undertook concurrent field and drill programs at its Valle Ancho properties in the Province of Catamarca, Argentina, and at Los Helados. However, these prior year programs were relatively smaller in scale, and shorter in duration, therefore resulting in lower exploration and project investigation costs.

Excluding share-based compensation, administration costs for the three months ended March 31, 2023, totaled $0.9 million (2022: $0.4 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, 2023, were higher than the 2022 comparative period due in part to an increase in compensation costs resulting from an increased personnel headcount and higher base compensation. In addition, for the three months ended March 31 2023, the Company saw higher promotion and public relations costs, which is the result of increased efforts with respect to investor relations, which included an analyst site visit in January 2023. Lastly, for the first quarter of 2023, the Company also incurred higher office and general administration costs due to a greater focus on improving information technology (IT) security during the period, as well as the impact of the Company's share price appreciation during 2022, which has resulted in higher annual stock exchange and regulatory fees.

The Company recognized net monetary gain of $117,379 during the three months ended March 31, 2023 (2022: $113,459), in relation to the application of hyperinflationary accounting for the Company's Argentine subsidiaries. The monetary gain recognized is the result of changes in the Argentine price indices and changes to the net monetary position of the Company's Argentine operating subsidiaries 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.

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, 2023, the Company recognized a gain of $1,189,059 (2022: $459,908) 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 first quarter of 2022, relative to the comparative 2021 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 gains of $137,967 for the three months ended March 31, 2023 (2022: $183,875) on translation of subsidiary company accounts from their functional currency to the Canadian dollar presentation currency. For the three months ended March 31, 2023, 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, 2023, the impacts of hyperinflation amounted to a loss of $14,993 (2022: $119,838) and consist of adjustments recognized on the continuing inflation of opening non-monetary balances during the year and the ongoing translation of the Company's Argentine subsidiary into the Canadian dollar presentation currency.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2023, the Company had cash of $11.0 million and net working capital of $5.4 million, compared to cash of $23.2 million and net working capital of $20.2 million as at December 31, 2022. The Company's cash decreased during the three months ended March 31, 2023 due to funds used in operations, including mineral property and surface access rights payments, and for general corporate purposes. In addition, during the three months ended March 31, 2023, the Company received $27,200 (2022: $210,175) in gross proceeds on the exercise of stock options.

The Company anticipates that it will deploy the majority of its treasury and capital resources towards furthering exploration programs in Chile and Argentina, and for general corporate and working capital purposes.

Credit Facilities

On September 28, 2022, the Company obtained an unsecured US$3.0 million credit facility (the "2022 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 consideration for the 2022 Facility, Zebra and Lorito received 12,500 common shares upon execution thereof, and shall receive an additional 200 common shares each month, for every US$50,000 in principal outstanding, prorated accordingly for the number of days outstanding. The 2022 Facility matures on September 28, 2023, and no interest is payable in cash during its term. Any undrawn amounts will remain available to the Company until maturity.

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

As at March 31, 2023, no amount remained drawn or outstanding against the 2022 Facility.

Liquidity

Based on NGEx Minerals' financial position at March 31, 2023, the Company anticipates the need for further funding to advance its South American exploration projects beyond the current exploration campaigns, as appropriate. Historically, 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.

Management is confident that additional funding will be secured to fund planned expenditures for at least twelve months from March 31, 2023. 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 inflation and investor perceptions and expectations with respect to 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, depending on the amount of funding raised, the Company may explore opportunities to defer the timing of certain discretionary expenditures and the Company's planned initiatives and other work programs may be postponed, or otherwise revised.

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 may, from time to time, engage with Filo Mining Corp. ("Filo Mining"), a related party 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 cost sharing arrangements with Filo Mining. Under the terms of these arrangements, the Company may, from time to time, provide management, technical, administrative and/or financial services (collectively, "Management Services") to Filo Mining, and vice versa. In addition, the Company may, from time to time, engage 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,	
	2023	**2022**
Management Services to Josemaria	-	29,432
Management Services to Filo Mining	106,580	93,062
Management Services from Filo Mining	(149,439)	(189,078)
Exploration Consultation from MOAR	-	(12,750)

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	March 31, 2023	December 31, 2022
Receivables and other assets	Filo Mining	89,346	112,163
Accounts payable and accrued liabilities	Filo Mining	(109,651)	(186,449)

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, 2023	2022
Salaries and other payments	203,750	123,500
Short-term employee benefits	6,352	4,371
Directors fees	24,250	20,500
Stock-based compensation	382,198	228,396
	616,550	**376,767**

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, 2022, as filed on SEDAR at www.sedar.com on March 31, 2023.

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, 2023, 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 2022 MD&A filed on SEDAR at www.sedar.com on March 31, 2023.

FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables and other assets, trade payables and accrued liabilities, amounts owing pursuant to the 2022 Facility, if any, non-current accrued liabilities and the amounts due to its exploration partner, NCR. 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, 2023, 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 are 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.

Based on NGEx Minerals' financial position at March 31, 2023, the Company anticipates the need to obtain further funding to advance its South American exploration projects beyond the current exploration campaigns, as appropriate. 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 March 31, 2023 are as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	13,756,696	13,756,696	-	-
Non-current accrued liabilities	338,325	-	338,325	-
Due to exploration partner	4,616,249	-	-	4,616,249
Total	**18,711,270**	**13,756,696**	**338,325**	**4,616,249**

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, 2023, 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 $629,898 at March 31, 2023 (2022: $630,460). 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, 2023, 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 $8.6 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 $861,000 in financial position/comprehensive loss.

OUTSTANDING SHARE DATA

As at May 15, 2023, the Company had 172,721,030 common shares outstanding and 12,116,500 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 2022 MD&A, as filed on SEDAR at www.sedar.com on March 31, 2023.

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).

Copper equivalent values reported for the 2022-2023 Los Helados drill program were based on US$ 3.50/lb Cu, US$ 1,700/oz Au and US$ 20/oz Ag. Copper equivalent values reported for the 2023 Potro Cliffs drill program were based on US$ 3.00/lb Cu, US$ 1,500/oz Au and US$ 18/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 2023 Operating Highlights and Outlook" 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: exploration and development plans and expenditures, including the size, scope, nature, timing and foci of the Company's future exploration programs, particularly at Los Helados and Potro Cliffs; whether current interpretation of the exploration and/or drill results to date at Los Helados or Potro Cliffs will be confirmed by future work, including statements regarding prospectivity of exploration properties, the accuracy of a geological model, the ability to extend and define of the Fenix, Alicanto and Condor Zones at Los Helados, or the scale, grade, or significance of the system that is the source of the high-grade mineralization intersected by DPDH002 completed at Potro Cliffs, or the Company's ability to locate it; the expected results or success of exploration activities at Potro Cliffs, including but not limited to, drill results from the current program underway; the expected timing of assay results generated by the Company's drill programs at Los Helados or Potro Cliffs; 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 or expansion of existing 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, 2023**	**December 31, 2022**
ASSETS			
Current assets:			
Cash		$ 11,014,453	$ 23,249,241
Receivables and other assets	*4*	8,125,301	4,300,559
		19,139,754	27,549,800
Non-current assets:			
Receivables and other assets	*4*	795,540	840,337
Equipment		16,653	18,723
Mineral properties	*5*	4,337,027	3,902,697
		5,149,220	4,761,757
TOTAL ASSETS		24,288,974	32,311,557
LIABILITIES			
Current liabilities:			
Trade payables and accrued liabilities		13,756,696	7,327,951
Non-current liabilities:			
Due to exploration partner	*7*	629,898	630,460
Accrued liabilities		338,325	338,600
		968,223	969,060
TOTAL LIABILITIES		14,724,919	8,297,011
SHAREHOLDERS' EQUITY			
Share capital	*8*	97,640,681	97,613,481
Contributed surplus		4,913,966	4,347,722
Deficit		(90,825,320)	(75,658,411)
Accumulated other comprehensive loss		(2,165,272)	(2,288,246)
TOTAL SHAREHOLDERS' EQUITY		9,564,055	24,014,546
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 24,288,974	$ 32,311,557

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 March 31, 2023**	**2022**
Expenses			
Exploration and project investigation	*10*	$ 15,122,367	$ 8,581,514
General and administration:			
Salaries and benefits		403,043	216,594
Share-based compensation	*9c*	460,162	293,770
Management fees		53,595	36,000
Professional fees		46,154	30,292
Travel		57,004	12,878
Promotion and public relations		160,039	40,036
Office and general		180,965	84,646
Operating loss		16,483,329	9,295,730
Other expenses (income)			
Interest income		(36,644)	(29,643)
Financing costs		19,646	11,472
Foreign exchange loss (gain)		7,016	(27,792)
Net monetary gain	*3*	(117,379)	(113,459)
Gain on use of marketable securities, net	*13*	(1,189,059)	(459,908)
Net loss		15,166,909	8,676,400
Other comprehensive loss			
Items that may be reclassified subsequently to net loss:			
Foreign currency translation adjustment		(137,967)	(183,875)
Impact of hyperinflation	*3*	14,993	119,838
Comprehensive loss		$ 15,043,935	$ 8,612,363
Basic and diluted loss per common share		$ 0.09	$ 0.06
Weighted average common shares outstanding		172,159,974	156,603,622

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)

		Three months ended March 31,	
	Note	**2023**	**2022**
Cash flows used in operating activities			
Net loss for the period		$ (15,166,909)	$ (8,676,400)
Adjustments to reconcile net loss to net operating cash flows:			
Depreciation		2,628	2,237
Share-based compensation	*9c*	566,244	379,780
Finance costs		19,646	11,472
Foreign exchange gain		(51,003)	(5,652)
Net monetary loss		203,395	38,940
Net changes in working capital and other items:			
Receivables and other		(3,647,319)	(48,216)
Trade payables and accrued liabilities		6,021,240	3,447,793
		(12,052,078)	(4,850,046)
Cash flows from (for) financing activities			
Payments made on behalf of exploration partner		(13,135)	(8,138)
Proceeds from option exercises		27,200	210,175
		14,065	202,037
Cash flows used in investing activities			
Mineral properties and related expenditures	*5*	(133,923)	(126,220)
		(133,923)	(126,220)
Effect of exchange rate change on cash		(62,852)	(253,887)
Decrease in cash during the period		(12,234,788)	(5,028,116)
Cash, beginning of the period		$ 23,249,241	$ 21,000,042
Cash, end of the period		$ 11,014,453	$ 15,971,926

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, 2022		156,291,344	$ 67,523,831	$ 1,616,855	$ (43,243,149)	$ (2,514,164)	$ 23,383,373
Share-based compensation		-	-	379,780	-	-	379,780
Shares issued pursuant to stock option exercises		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**
Balance, January 1, 2023		172,123,530	$ 97,613,481	$ 4,347,722	$ (75,658,411)	$ (2,288,246)	$ 24,014,546
Share-based compensation	*9c*	-	-	566,244	-	-	566,244
Shares issued pursuant to stock option exercises	*9b*	40,000	27,200	-	-	-	27,200
Net loss and other comprehensive loss		-	-	-	(15,166,909)	122,974	(15,043,935)
Balance, March 31, 2023		**172,163,530**	**$ 97,640,681**	**$ 4,913,966**	**$ (90,825,320)**	**$ (2,165,272)**	**$ 9,564,055**

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, which was completed on July 17, 2019.

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".

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 March 31, 2023. The Company anticipates the need for further funding to advance its South American exploration projects beyond the current exploration campaigns, as appropriate. Historically, 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%.

Management is confident that additional funding will be secured to fund planned expenditures for at least twelve months from March 31, 2023. 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 inflation and investor perceptions and expectations with respect to 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, depending on the amount of funding raised, the Company may explore opportunities to defer the timing of certain discretionary expenditures and the Company's planned initiatives and other work programs may be postponed, or otherwise revised.

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, 2022. 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, 2022. Certain prior year comparatives have been reclassified to align with current year presentation. Specifically, interest income is now separately presented on the condensed interim consolidated statements of comprehensive loss.

These condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on May 15, 2023.

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 a loss of $14,993 for the three months ended March 31, 2023 (2022: $119,838) in relation to the impact of hyperinflation within other comprehensive income. The hyperinflationary gains and losses are generally the impact of two opposing factors:

- Gains are driven by the hyperinflationary impacts on capital injected into the Argentine subsidiaries during the period ("Gain on Capital Injected").

- Losses are largely the result of depreciation of the Argentine peso relative to the Canadian dollar during the period, and its impact upon translation of the Argentine subsidiaries' accounts into the Canadian dollar reporting currency ("Loss on Translation").

(Expressed in Canadian Dollars, unless otherwise stated)

For the three ended March 31, 2023, although capital was injected into the Company's Argentine subsidiaries, the loss on translation was the dominant factor due to continued depreciation of the Argentine peso relative to the Canadian dollar, which resulted in net hyperinflationary losses in 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, 2023, the Company recognized a net monetary gain of $117,379 (2022: $113,459) to adjust transactions recorded during the period into a measuring unit current as of March 31, 2023.

The level of the IPC at March 31, 2023 was 1,381.16 (December 31, 2022: 1,134.59), which represents an increase of approximately 22% over the IPC at December 31, 2022, and an approximate 7% increase over the average level of the IPC during the three months ended March 31, 2023.

4. RECEIVABLES AND OTHER ASSETS

	March 31, 2023	December 31, 2022
Current		
Taxes receivable	100,125	108,932
Other receivables	6,742,600	2,857,214
Prepaid expenses, advances and deposits	1,282,576	1,334,413
	8,125,301	**4,300,559**
Non-current		
Deferred surface access rights	795,540	840,337
	795,540	**840,337**

Receivable from Exploration Partner

As at March 31, 2023, current other receivables includes $6,623,905 (2022: $2,730,489) receivable from the Company's exploration partner at the Los Helados properties (Note 5).

Deferred Surface Access Rights

Reduced Surface Access Rights Agreements

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 a reduced surface access agreement with an effective period of three years (the "Reduced Surface Access Agreement"). The Reduced Surface Access Agreement resulted in decreased 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 Reduced 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 Reduced Surface Access Agreement provide the Company the benefit of access for the period ending January 26, 2024, the contractual amount was initially deferred and has been amortized over the life of the agreement.

On November 22, 2022, the Company and the owners of the Los Helados surface rights negotiated an amendment to the Reduced Surface Access Agreement, whereby the term of the agreement was extended to January 26, 2026, in exchange for a US$250,000 payment upon execution, and additional payments of US$250,000 in each November 22, 2023, and 2024 (the "Extension Agreement"). Accordingly, as at March 31, 2023, the payment of US$250,000 due in November 2023 has been recognized within current trade payables and accrued liabilities, and the payment of US$250,000 due in November 2024 has been recognized within non-current accrued liabilities. As at March 31, 2023, each of the current and non-current portions of the contractual liability had a Canadian dollar equivalent of approximately $338,325.

Similar to above, all contractual amounts with respect to the Extension Agreement were initially deferred and will be amortized over the term of the agreement ending January 26, 2026. In addition, the term over which the remaining undeferred amounts with respect to the Reduced Surface Access Agreement will be amortized was prospectively extended to January 26, 2026.

The pro rata portion of deferred amounts relating to the 12 months ending March 31, 2023, have been classified as a current asset, whereas all other deferred amounts have been classified as non-current.

Temporarily Restored Surface Access Rights

On November 30, 2021, the Company and the owners of the surface rights at Los Helados executed a temporary restoration of the Company's surface access rights as outlined in the Original Surface Access Agreement (the "2021-2022 Restored Rights Agreement"). Pursuant to the 2021-2022 Restored Rights Agreement, the Company paid US$300,000 to the holders of the Los Helados surface rights in exchange for reinstated surface access from date of execution until December 31, 2022. The amounts paid with respect to the 2021-2022 Restored Rights Agreement were initially deferred and have been amortized through the consolidated statements of comprehensive loss.

(Expressed in Canadian Dollars, unless otherwise stated)

On November 22, 2022, the Company and the owners of the Los Helados surface access rights further restored the Company's surface access rights on a temporary basis with an additional agreement (the "2023 Restored Rights Agreement"). The 2023 Restored Rights Agreement allows the Company to carry on drilling and exploration activities at Los Helados during the year ending December 31, 2023, in exchange for a payment of US$450,000. As the incremental payment related to the temporary reinstatement of surface access rights provides the Company the benefit of access up to December 31, 2023, the pro rata portion relating to the nine months ending December 31, 2023, have been deferred as a current asset.

5. MINERAL PROPERTIES

	Los Helados Project
Balance at January 1, 2022	**$ 3,537,087**
Additions	126,220
Effect of foreign currency translation	239,390
Balance at December 31, 2022	**$ 3,902,697**
Additions	133,923
Effect of foreign currency translation	300,407
Balance at March 31, 2023	**$ 4,337,027**

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 has an ownership interest in the Caserones Mine, located approximately 12 kilometres from the Los Helados properties. NCR's interest in the Caserones Mine is held through a subsidiary whereby Lundin Mining Corporation acquired fifty-one percent controlling stake in late March 2023.

As at March 31, 2023, the Company held an approximate 69% 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 had sole funded 100% of the expenditures related to the Los Helados properties as the result of elections by the exploration partner pursuant to the JEA not to fund its share of expenditures for the period from September 1, 2015, to August 31, 2022. The sole funding of expenditures at the Los Helados properties during this period resulted in dilution of NCR's interest, and corresponding increases to the Company's interest, resulting in the amounts noted above.

The foregoing notwithstanding, NCR elected to exercise its right to fund its pro rata share of qualifying expenditures related to the Los Helados properties for the period from September 1, 2022, to August 31, 2023. Amounts contributed or contributable by NCR with respect to its funding commitment for the Los Helados properties are recorded as reductions to exploration and project investigation costs and total $3,891,316 for the three months ended March 31, 2023.

Valle Ancho Properties

In November 2022, the Company secured a 100% interest in the Valle Ancho and Interceptor properties (collectively, the "Valle Ancho Properties"), located in Catamarca, Argentina, by making its formal submissions to the Province of Catamarca to evidence its completion of the US$8.0 million minimum expenditure requirement.

Potro Cliffs

The Company holds a 100% interest in Potro Cliffs, an exploration target located in San Juan Province, Argentina. Potro Cliffs lies along the same major north-northeast structural trend that controls the Filo del Sol deposit located approximately 7 km to the south and the Los Helados deposit located approximately 9 km to the north.

6. CREDIT FACILITIES

On September 28, 2022, the Company obtained an unsecured US$3.0 million credit facility (the "2022 Facility") from Zebra and Lorito to provide financial flexibility to fund ongoing exploration and for general corporate purposes. Zebra and Lorito are related parties of the Company by virtue of their combined shareholding in the Company in excess of 20%.

As consideration for the 2022 Facility, Zebra and Lorito received 12,500 common shares upon execution thereof (the "2022 Commitment Shares") and was entitled to receive an additional 200 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, 2023, the Company made no draws against the 2022 Facility, which matures on September 28, 2023. No interest is payable in cash during its term.

During the three months ended March 31, 2023 the Company issued no common shares to Zebra and Lorito in connection with the 2022 Facility (2022: $nil). As a result of amortization of the 2022 Commitment Shares, the Company recognized $6,563 (2022: $3,334) in financing costs through the consolidated statement of comprehensive loss. In addition, $13,125 has been deferred within prepaid expenses, advances and deposits as at March 31, 2023 (2022: $19,688), which relates to a portion of the 2022 Commitment Shares.

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

(Expressed in Canadian Dollars, unless otherwise stated)

7. DUE TO EXPLORATION PARTNER

The Company has 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, 2023, 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.

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, 2022	9,160,834	$ 0.56
Granted	4,640,000	1.98
Exercised	(816,834)	0.61
Expired or forfeited	(270,000)	0.81
Balance at December 31, 2022	12,714,000	$ 1.06
Exercised	(40,000)	0.68
Balance at March 31, 2023	12,674,000	$ 1.06

(Expressed in Canadian Dollars, unless otherwise stated)

The following table details the share options outstanding and exercisable as at March 31, 2023:

	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	3,010,000	1.49	$0.475	3,010,000	1.49	$0.475
$0.54	2,380,000	2.67	$0.54	2,380,000	2.67	$0.54
$0.68	2,932,333	2.76	$0.68	1,482,335	2.11	$0.68
$1.65	1,510,000	3.79	$1.65	503,334	3.79	$1.65
$2.08	2,556,667	4.44	$2.08	829,998	4.44	$2.08
$3.16	285,000	4.67	$3.16	95,000	4.67	$3.16
	12,674,000	2.95	$1.06	8,300,667	2.41	$0.79

c) Share-based compensation

	Three months ended March 31,	
	2023	**2022**
Exploration and project investigation	106,082	86,010
General and administration	460,162	293,770
	566,244	**379,780**

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, 2023 and 2022:

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended March 31,		Los Helados Project	Valle Ancho	Potro Cliffs	Other	Total
2023	Land holding and access costs	254,232	4,706	8,128	4,830	271,896
	Drilling, fuel, camp costs and field supplies	5,217,965	-	3,805,374	-	9,023,339
	Roadwork, travel and transport	830,538	-	547,050	4	1,377,592
	Engineering and conceptual studies	121,292	-	-	-	121,292
	Consultants, geochemistry and geophysics	652,487	1,622	146,824	-	800,933
	Environmental and community relations	34,106	-	13,172	-	47,278
	VAT and other taxes	1,216,792	9,103	985,492	4,997	2,216,384
	Office, field and administrative salaries, overhead and other administrative costs	474,386	33,098	642,912	6,494	1,156,890
	Share-based compensation	62,498	339	43,130	115	106,082
	COVID-19-related health and safety	-	-	681	-	681
	Total	**8,864,296**	**48,868**	**6,192,763**	**16,440**	**15,122,367**
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**

(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 may, from time to time, engage with Filo Mining Corp. ("Filo Mining"), a related party 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 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 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,	
	2023	**2022**
Management Services to Josemaria	-	29,432
Management Services to Filo Mining	106,580	93,062
Management Services from Filo Mining	(149,439)	(189,078)
Exploration Consultation from MOAR	-	(12,750)

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	**March 31, 2023**	**December 31, 2022**
Receivables and other assets	Filo Mining	89,346	112,163
Accounts payable and accrued liabilities	Filo Mining	(109,651)	(186,449)

(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,
	2023	**2021**
Salaries and other payments	203,750	123,500
Short-term employee benefits	6,352	4,371
Directors fees	24,250	20,500
Stock-based compensation	382,198	228,396
	616,550	**376,767**

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 underlying projects for which the funding was provided. 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 & Potro Cliffs	Corporate	Total
	Current assets	10,673,943	1,898,723	6,567,088	19,139,754
	Non-current receivables and other assets	795,540	-	-	795,540
As at	Equipment	-	16,653	-	16,653
March 31,	Mineral properties	4,337,027	-	-	4,337,027
2023	Total assets	15,806,510	1,915,376	6,567,088	24,288,974
	Current liabilities	8,163,768	4,898,759	694,169	13,756,696
	Accrued liabilities and others	338,325	-	-	338,325
	Due to exploration partner	-	-	629,898	629,898
	Total liabilities	8,502,093	4,898,759	1,324,067	14,724,919

		Los Helados Project	Valle Ancho & Potro Cliffs	Corporate	Total
	Current assets	8,301,240	536,267	18,712,293	27,549,800
	Non-current receivables and other assets	840,337	-	-	840,337
As at	Equipment	-	18,723	-	18,723
December 31,	Mineral properties	3,902,697	-	-	3,902,697
2022	Total assets	13,044,274	554,990	18,712,293	32,311,557
	Current liabilities	6,044,223	432,919	850,809	7,327,951
	Non-current accrued liabilities	338,600	-	-	338,600
	Due to exploration partner	-	-	630,460	630,460
	Total liabilities	6,382,823	432,919	1,481,269	8,297,011

(Expressed in Canadian Dollars, unless otherwise stated)

Three months ended March 31,		Los Helados Project	Valle Ancho & Potro Cliffs	Corporate	Other	Total
2023	Exploration and project investigation	8,864,296	6,241,631	-	16,440	15,122,367
	Gain on use of marketable securities	-	(1,189,059)	-	-	(1,189,059)
	General and administration and other items	21,529	(115,182)	1,327,254	-	1,233,601
	Net loss	8,885,825	4,937,390	1,327,254	16,440	15,166,909
		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

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, 2023, the Company realized a net gain of $1,189,059 (2022: $459,908). The net gain for the three months ended March 31, 2023 was comprised of a favorable foreign currency impact of $1,431,840 (2022: $585,129) and a trading loss of $242,781 (2022: $125,221), including the impact of fees and commissions.

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