



MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED DECEMBER 31, 2020 and 2019

APRIL 30, 2021

The following discussion and analysis is prepared as of April 30, 2021, and should be read in conjunction with the consolidated financial statements of Marifil Mines Limited (the "Company") for the years ended December 31, 2020 and 2019, which are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the notes thereto.

Marifil Mines Limited is classified as a "venture issuer" for the purposes of National Instrument 51-102.

Introduction

This section contains forward-looking statements that involve risks and uncertainties. The Company's actual results may differ materially from those discussed in forward-looking statements as a result of various factors, including those described under "Forward-Looking Information".

Forward Looking Information

This MD&A contains "forward-looking information" and "forward-looking statements" (together, "forward looking statements") within the meaning of Canadian securities legislation and the United States Private Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company's anticipated results and developments in the Company's operations in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. These statements also relate to the ability of the Company to obtain all government approvals, permits and third party consents in connection with the Company's exploration and development activities; the Company's ongoing drilling program; the Company's future exploration and capital costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations; general business and economic conditions; analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management. Statements concerning mineral resource estimates may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. 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, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be forward looking statements. While the Company has based these forward-looking statements on its expectations about future events as at the date that such statements were prepared, the statements are not a guarantee of the Company's future performance and are subject to risks, uncertainties, assumptions, and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Such factors and assumptions include, amongst others, the effects of general economic conditions, the supply and demand for gold and other precious and base metals the level and volatility of prices of precious and base metals, the availability of financing to fund the Company's ongoing and planned exploration and possible future mining operation on reasonable terms, changing foreign exchange rates and actions by government authorities, market competition, risks involved in mining, processing, exploration and research and development activities, the political climate in Argentina, the Company's ongoing relations with its employees and with local communities and local governments, and uncertainties associated with legal proceedings and negotiations and misjudgments in the course of preparing forward-looking statements. In addition, there are also known and unknown risk factors which may cause actual events or results

to differ from those expressed or implied by the forward-looking statements. Some of the important risks and uncertainties that could affect forward-looking statements are described in this MD&A under "Risk Factors". Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. Forward-looking statements are made based on management's experience, beliefs, estimates and opinions on the date the statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by law.

Investors are cautioned against attributing undue certainty to forward-looking statements.

OVERVIEW

Marifil Mines Limited ("Marifil" or the "Company") was incorporated on December 2, 2003 under the Yukon Business Corporation Act. On January 17, 2014, the Company changed its reporting jurisdiction from the Yukon to British Columbia. The Company is in the business of acquiring, exploring, and evaluating mineral resource properties in Argentina. The Company is a reporting issuer in the Provinces of Alberta, British Columbia, and Ontario. The Company's common shares trade on the TSX Venture Exchange under the symbol MFM.V.

Effective May 12, 2017, the Company effected a share consolidation on a five for one basis. As such, the Company's issued and outstanding shares of common stock were decreased on the basis of five old shares for one new share. Effective January 22, 2018, the Company effected a share consolidation on a two for one basis. As such, the Company's issued and outstanding shares of common stock were decreased on the basis of two old shares for one new share. This MD&A and the accompanying consolidated financial statements give retroactive effect to such share consolidations named above and all share and per share amounts have been adjusted accordingly.

The Company operates in Argentina through its subsidiaries: (1) a wholly-owned subsidiary, Marifil S.A., incorporated in the Rio Negro Province under the laws of Argentina. The Company acquired Marifil S.A. by issuing 1,100,000 of its Common Shares to the Marifil S.A. shareholders when the Company completed its Initial Public Offering ("IPO") on January 31, 2005; (2) a 51% owned subsidiary, Minas San Roque S.A., incorporated in the Rio Negro Province under the laws of Argentina and formed by the Company in 2012 to carry out exploration of the Company's San Roque property.

On December 31, 2018, three new Canadian subsidiaries of the Company were incorporated: Prosperity Growth Ltd., Synergistic Resources Ltd., and Emirates Growth Ltd.

The Company's primary business is the development of its core precious metal assets. To continue to explore the primary assets and to expand its portfolio into other precious metals via mergers and acquisitions. The Company will also continue to find ways to best monetize its non-core assets.

OVERALL PERFORMANCE FOR THE YEAR ENDED DECEMBER 31, 2020

The Company's business activity during the year ended December 31, 2020 was severely curtailed due to the impacts of COVID-19 pandemic and attendant government restrictions on commerce, especially in Argentina. Governmental actions have dealt a crushing blow to Argentinian businesses and the country's prospects for a swift recovery from the crisis. A package of emergency measures including spending on healthcare measures to deal with COVID-19 and social support for those affected by it along with the government's extension of its strict lockdown measures and a stubborn 30% inflation rate put Argentina on track for its worst fiscal deficit since records began. During 2020, the country suffered a decline in GDP of 9.9%, the largest retraction since 2002.

Argentina's travel restrictions, though relaxed going into 2021, continued to negatively impact the country's mining enterprises as an overwhelming majority of foreign nationals were barred from entering the country throughout the fourth quarter. Additionally, although eased in the fourth quarter many restrictions continued to inhibit movement between provinces, and field mineral exploration work continued to be restricted or conditioned depending on the province.

Consequently, there was no mineral exploration activity of significance associated with the Company's mineral properties in the fourth quarter, which are exclusively in Argentina. The Company's representatives in Argentina focused their efforts on solidifying and maintaining the Company's extensive property package in good legal standing and culling out those mineral properties incongruent with revised corporate objectives. To that end, on December 11, 2020 the Company abandoned all its claims related to its past fertilizer minerals exploration program in Mendoza province. The same was previously accomplished in Neuquen province, effectively ending Marifil's exploration quest for potash, phosphates, and sulfur.

In early 2020, Marifil's board of directors adopted a revised business strategy to sell or otherwise relinquish its non-core assets and shift its focus exclusively to gold. This policy decision was announced by the Company's news release: "Marifil Sells Non-Core Assets to Focus on Gold", dated April 6, 2020. On April 1, 2020, the Company entered into a transaction agreement to sell its non-core lithium and nickel-copper mining claims to Global Elsimate Capital Corp ("GECC") for consideration of \$2,000,000 as GECC shares. The mainstay of the sales portfolio was the Las Aguilas property with its NI 43-101 Mineral Resources. GECC subsequently initiated a change of business and became Extreme Vehicle Battery Technologies Corp ("ACDC"). The Canadian Securities Exchange deemed that the 2011 NI 43-101 report was antiquated and so required ACDC to file an updated NI 43-101 technical report on the Las Aguilas property. Despite significant efforts to satisfy the 43-101 Report requirement and given the complications and delays caused by the COVID-19 pandemic, ACDC determined that it could not prepare the 43-101 Report in a timely fashion. Accordingly, effective October 22, 2020, ACDC and the Company determined to terminate the transaction, and announced that termination in a Company news release "Marifil to Seek New Buyer for Battery Metals Portfolio and Provides Corporate Update", dated October 23, 2020.

In keeping with its new business strategy, Marifil has shifted its Argentina only policy to entertaining potential business deals for gold properties in other countries around the world. Nonetheless, the Company continues to safe keep its flagship gold asset which is the majority owned San Roque property located in Rio Negro Province of Argentina, and to opportunistically acquire gold properties of merit in Argentina. Two such acquisitions have been the Ortiquita and Castano properties.

During the fourth quarter, Company agents were active in seeking a financially strong industry partner for the Ortiquita exploration play. Marifil previously announced the Ortiquita cateo (exclusive exploration rights) was officially granted to Marifil on July 9, 2020. Ortiquita covers 2,166 hectares in the historically productive El Indio Gold Belt, a mineral rich region of the Andes Mountains spanning the border between Chile and Argentina that contains large gold, silver, and copper mines. It is located roughly 12 km northeast of Barrick Gold Corporation's Veladero gold mine on the Pascua-Lama to Veladero epithermal gold deposits trend within the Province of San Juan, Argentina. Ortiquita shares a 250 square kilometer crowded field of mine claims which belong to competitors in the area.

Elsewhere in the Province of San Juan during the fourth quarter the Company engaged in efforts to consolidate a larger land position in the historic Castaño gold mining district, located on the east front of the Andes Mountains. There is intense revitalized industry interest in the old district as it is now jam packed with mining claims of various and sometimes legal questionable status. Marifil's agents closely monitor ongoing developments of the province's Cadastral Registry (legal mining claims map) watching for acquisition or consolidation opportunities, taking intervention activities as justified and talking with other claim owners about potential partnerships in unify mining claims positions into one large claim block. Marifil anticipates it will soon be awarded two contested mining concessions (minas) by the provincial mining department, adding to two it already has. Also, the Company applied for a large and highly prospective exploration mine right (a cateo) as simultaneously did a competitor for which ownership will be determined by a drawing conducted by the provincial mines department. The Company currently controls 2,739 hectares of exploration and mining rights with potential additions of 586 hectares depending on the outcomes of the aforementioned happenings. These mining rights cover a belt of hydrothermally altered intrusives (quartz-monzonite porphyries) and associated hydrothermal breccias showing geochemically anomalous gold and copper. The Company continued amassing a substantial technical data base generated by former explorers of the Castano district.

Other key highlights from the year ended December 31, 2020 can be summarized as follows:

- In July 2020, the Company reversed a previous write down of \$36,230, which was recorded in 2019, of GST ITCs as its appeal to tax authorities was successful and the amount was received by the Company.
- On August 13, 2020 a \$40,000 government of Canada Emergency Business Account (CEBA) loan, offered as part of the response to the Covid-19 global pandemic. The loan is interest free until December 31, 2022, and no principal payments will be due until December 31, 2022. \$10,000 of the loan will be forgiven if \$30,000 is repaid prior to December 31, 2022. If the balance is not paid by December 31, 2022, the remaining balance will be converted to a three-year term loan at 5% annual interest, paid monthly, effective January 1, 2023. The final balance must be repaid no later than December 31, 2025.

Subsequent to the year ended December 31, 2020:

- On March 16, 2021, the Company applied for an increase to its CEBA loan payable and received an additional \$20,000 bringing the total face value of the loan to \$60,000.
- On March 17, 2021, the Company closed a private placement and issued an aggregate of 40,000,000 units at a price of \$0.05 per unit for gross proceeds of \$2,000,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each Warrant is

exercisable into one additional Share at a price of \$0.055 per Share for a period of three years from the closing date.

- On March 18, 2021, the Company issued 1,000,000 common shares pursuant to a warrant exercise for proceeds of \$70,000.

PROPERTY EXPLORATION SUMMARY

All news releases and technical reports referred to in this Property Exploration Summary are available on the sedar.com website in Marifil's Issuer Profile unless otherwise noted. Beginning in 2021, Marifil's website will be temporarily offline while it undergoes a remodeling.

SAN ROQUE GOLD PROPERTY

San Roque, Rio Negro Province

(epithermal zinc-lead-copper-gold-silver-indium)

San Roque is an advanced stage exploration project located in southern Argentina in the Province of Rio Negro. It is Marifil's flagship property. The property is near the Atlantic coast in a region of developed infrastructure. It is relatively flat desert terrain averaging about 200 meters in elevation and is accessible by vehicle year-round. It contains a drill defined bulk tonnage base metal deposit comprising gold, silver, lead, zinc, and indium for which a National Instrument 43-101 ("NI 43-101"(standards of disclosure for mineral projects)) technical report with an Inferred Mineral Resource estimate was completed in 2019 by an independent contractor, Tetra Tech Canada Inc. ("Tetra Tech"). Additionally, nearby the area of the NI 43-101 Mineral Resource are a series of extensive undrilled epithermal precious metals bearing quartz veins with an associated bulk tonnage epithermal gold-silver target associated with (the "NW Vein System").

Mining rights (collectively known as concessions, Mina, pertinencias and cateos) comprise the 73,915-hectare property, and include 12 mineral tenures, 3 of which are granted concessions (Mina) containing 95 mining claims (pertinencias) of approximately one square kilometers each that total 9,449 hectares. The other 9 are temporary exclusive exploration permits (cateos). The Company has the exclusive right to carry out exploration works on those cateos. The Mina are federal real estate for which the state has granted mineral concessions to the Company. The Company effectively owns a franchise for the mineral exploitation and extraction rights so as long as it pays the annual real estate taxes (canons) on them and complies with a general investment program registered with the Rio Negro Department of Mines. Under provisions of the Argentine Mining Code the Company would be exposed to losing the concessions should it leave the property dormant, or inactive, for more than four years. The pertinencias of the Mina are core area claims that securely cover all the known mineralization on the property.

Epithermal polymetallic sulphide mineralization in the drill defined deposit occurs as zones of multiple narrow, sheeted banded-textured quartz-carbonate veins, and as linear breccias. These veins and breccias are surrounded by broader zones of stock work and disseminated sulfides. Mineralization is hosted by Jurassic age volcanic and sedimentary rocks as well as Paleozoic age basement quartz mica schist. Steeply-dipping northwest and northeast-striking faults exert a strong control on the mineralization, and porphyritic syenite stocks may be associated with zones of mineralization.

On March 8, 2006, the Company signed an agreement with M.I.M. Argentina Exploraciones (MIM) to acquire the property. The Company committed to spending US\$50,000 annually on it over the next four years (incurred). In addition, the Company had the right until June 5, 2012 to purchase 100% of the property by making cash payments of US\$400,000, which was done on behalf of the Company by NovaGold Resources Inc. ("NovaGold") during June 2011.

On June 22, 2010, the Company and NovaGold signed the San Roque Option Agreement. This effectively created a joint venture whereby NovaGold could earn up to 70% equity in the San Roque project. NovaGold relinquished its right to earn that 70% equity when the partnership, under terms of the Option Agreement, was converted to a Shareholders Agreement on March 13, 2016. Mina San Roque S.A. ("MSRSA") was henceforth incorporated, as required by the Shareholders Agreement, as a private Argentinean company to hold the San Roque mining rights. On May 4, 2018, the Shareholders Agreement was amended to include an approved budget for the 2018 drill program and for the independent NI 43-101 report which was later completed in July of 2019.

MSRSA is jointly owned by the Company's wholly-owned Argentinian subsidiary Marifil S.A. and NovaGold Resources Inc.'s wholly-owned subsidiary, NovaGold Argentina Inc. Marifil S.A. holds 51% of the shares of MSRSA and NovaGold Argentina Inc. has the 49% balance. The activities and equity interests of and in MSRSA are governed by the Shareholders Agreement, which provides for ownership dilution of either party who does not financially contribute to an approved budgeted work program on the property. The Company currently acts as the San Roque project operator and manages MSRSA. All the San Roque mine rights that were held by the Company or its agents have been ceded to MSRSA.

Technical information on the property comprises records containing the results for 1,500 meters of trenching, approximately 2,000 surface rock and soil samples, 42 km of ground magnetics, 90 km of IP-Resistivity and 16,683.5 meters of mineral exploration drilling as 112 holes. This drilling includes 11 reverse circulation holes for 1,604 meters by MIM; the rest is diamond core drilling – mostly HQ size core. All drill holes, save one MIM vertical rotary hole, are angle downwards, most at -60° but with a few at -55° and -45°.

The mineral exploration drilling involves three companies and seven campaigns:

- 2001 & 2002: MIM drilled 19 holes in two campaigns totaling 2,728 meters.
- 2007: The Company drilled 55 holes in two campaigns totaling 5,292 meters.
- 2010 & 2011: NovaGold drilled 34 holes in two campaigns totaling 7,817 meters.
- 2018: The Company drilled 4 holes in one campaign totaling 846.5 meters.

In 2007, the Company also did ground water exploration drilling. Five holes in search of water were drilled at various locations about the San Roque Ranch. This program was done in conjunction with advisement from the Ranch owner as the intended water use was jointly for livestock and for diamond core drilling. In all, 317 meters comprised of 50 meters of standard rotary plus 267 meters of diamond core were drilled. No usable water was found. Drilling water is purchased in the town of Valcheta and trucked about 15 kilometers to the drill sites.

A mechanized (backhoe) trenching program was completed concurrent with the 2018 drilling campaign. Nine trenches for a total 303 meters were completed, geologically mapped and continuously channel sampled. This

trenching focused on tracing and sampling the newly discovered quartz veins of the NW Vein System.

The discovery of the NW Vein System was initially announced in the Company's news release titled "Marifil Recommences Drilling at Flagship Property in Argentina", dated June 6, 2018. The results of the 2018 field work greatly enlarged and increased the importance of this zone to the ultimate success of the project, as presented in the Company's news release "Marifil Mines Reports New Gold System Discovery at the San Roque Gold Project", dated November 5, 2018.

Every mineral exploration drill hole of every aforementioned drill campaign encountered some degree of mineralized rock, indicating a very large, complex, and variously mineralized sulphide system containing gold, silver, indium, lead, zinc and some copper and molybdenum. Notably, the large NW Vein system of precious metals bearing epithermal quartz veins discovered in 2018, although trenched, has not yet been drill tested. Simply put, an extensive system of mineralization scattered over some 20 square kilometers is recognized on the San Roque property. Mineralization, where drilled, is everywhere open in all directions and at depth. It frequently starts at surface and has been followed to the bottom of the deepest drill holes at vertical depths of up to 200 meters.

Marifil estimates that about US\$8,400,000 has been invested in the acquisition, exploration and initial resource assessment of the property since and including MIM's earliest discovery program in 2000. The Company judges all this expense and effort has produced sufficient data to determine a NI 43-101 Mineral Resource estimate.

Accordingly, the Company retained the services of Tetra Tech to produce a NI 43-101 report containing estimated mineral resources, as announced by the news release: "Marifil Commences NI 43-101 Technical Report and Updates San Roque Progress", dated March 21, 2019. Tetra Tech is a prominent, global consulting firm with a reputation for high quality scientific and engineering work. Their results are published in the News Releases of "Marifil Reports a Positive Opening NI 43-101 Resource at San Roque", dated July 22, 2019 and "Marifil's NI 43-101 Report on San Roque Confirms Positive Results", dated September 12, 2019.

The Tetra Tech NI 43-101 technical report is posted on the Company's website at www.marifilmines.com, along with a power point presentation of the San Roque project. Also shown on the website is a technical report entitled "San Roque Project 2018 Drilling Program" which is a description of the most recent physical work done on the project and some conclusions drawn from it. The 2018 exploration results of the property are summarized in two news releases: "Marifil Announces Final Drilling Results at Its Flagship San Roque Property", dated October 16, 2018, and "Marifil Mines Reports New Gold System Discovery at the San Roque Gold Project, dated November 5, 2018.

By the end of 2018, all technical, environmental and good practices reporting were completed and filed as required with the Rio Negro Department of Mines, keeping the Company in full Federal and Provincial mining laws compliance.

No field programs were conducted on any of Marifil's mineral properties in 2019 and 2020 other than in 2019 verification sampling at San Roque by Tetra Tech for the purpose of the NI 43-101 technical report and the taking a limited series of rock outcrop and drill core specimens for metallogenetic research purposes. Travel restrictions and a general lock down imposed by Argentina in response to the COVID-19 pandemic precluded any site work

in 2020.

The Company received and accepted the finalized San Roque NI 43-101 technical report from Tetra Tech on September 10, 2019 and published a summary of its results in the news release dated September 12, 2019 referenced above. There were no disagreements between management and Tetra Tech.

Tellingly, the Tetra Tech technical analyses gauged the San Roque property to host about 33 million tonnes with a grade of about 1.4 g/t gold equivalent for about 1.5 million ounces of gold equivalent mineralization. Sustaining reference is made to Table 2 below and its qualifying footnote stating parameters used for this gold equivalency. *(Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability.)*

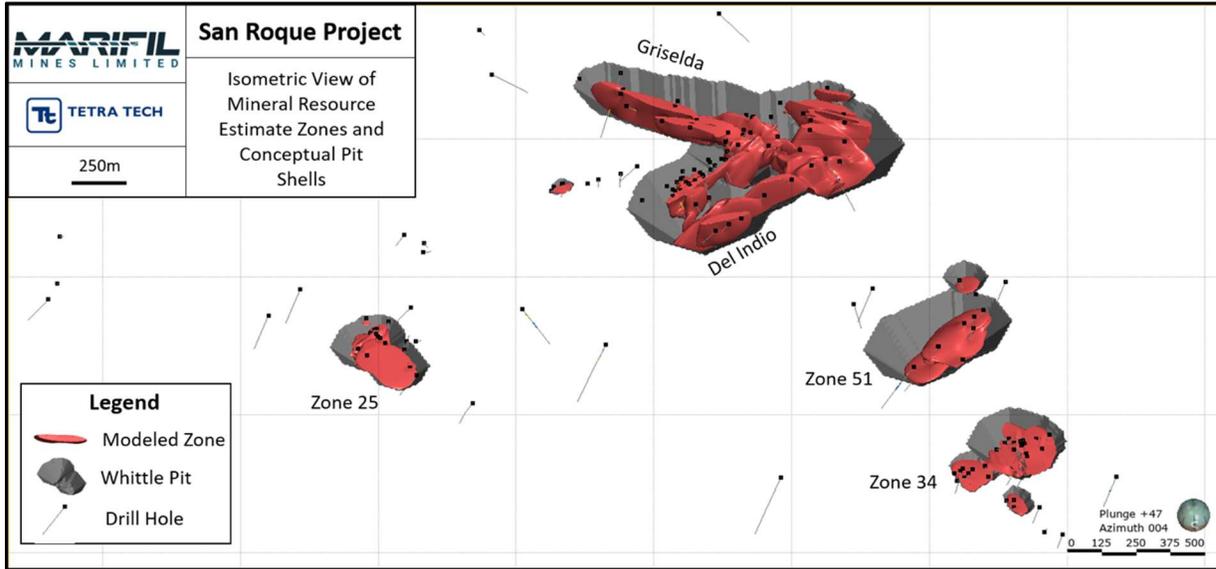
Tetra Tech concluded the San Roque mineralization constitutes an intermediate sulphidation epithermal polymetallic deposit with elevated concentrations of gold (Au) (occasional visible gold), silver (Ag), zinc (Zn), lead (Pb), and Indium (In) with a note that significant amounts of copper (Cu) and molybdenum (Mo) are locally present. Also importantly, they observed that mineralization has been drill intercepted from surface to a maximum depth of 250 meters, where it remains open to extensions at depth.

The mineralization occurs primarily as sphalerite, galena, chalcopyrite and tetrahedrite along with pyrite within two styles of vein systems. The first of these are structurally-controlled epithermal polymetallic veins, and the second are broad gently dipping polymetallic quartz stockworks within tuff units. These stockworks zones form relatively broad and gently dipping bodies of mineralization along the intersections of steeply dipping "feeder" structures, and porous tuff units. The veins range in thickness from centimeter scale to approximately 1-2 meters in width, but can occur in succession, whereas quartz stockwork zones can be up to 25 meters in thickness. These are hosted within broad, fault-bounded structural corridors which typically contain silicified breccias and quartz-sulphide veins and disseminated sulfides.

According to Tetra Tech, four distinct zones of resource mineralization on the San Roque mining concessions have so far been established by 112 drill holes totaling 16,586 meters (15,082 m diamond drill core plus 1,504 m of reverse circulation) together with 58 trenches for 1,509 meters, all of which generated 10,755 samples used in the Tetra Tech estimated resource calculation. These are Zone 33 (also referred to as Del Indio/Griselda), Zone 25, Zone 34, and Zone 51. Figure 1 is an isometric view depicting the lay-out of the four "Whittle pit constrained" resource zones.

FIGURE 1

Component Zones of San Roque Estimated Mineral Resources and Conceptual Whittle Pits



Tetra Tech's mineral resource estimate is reported as a sum of component pit constrained resources for each of the four zones using Whittle computer software open pit optimization. This was done to test the economic potential of the modeled mineralization. The reported mineral resources have been analyzed by, and constrained to, conceptual pit shells generated in Whittle. These estimated resource blocks are displayed in Tables 1 and Table 2 below.

TABLE 1

San Roque Estimated Mineral Resources by Zone – Tonnage & Grade

(Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability.)

Effective July 22, 2019

Resource Classification	Zone	Cutoff (g/t)	Quantity (tonnes)	Grades					
				AUEQ	AU	AG	PB	ZN	IN
				g/t	g/t	g/t	%	%	g/t
Oxide									
Inferred (Oxide)	<i>Del Indio/Griselda</i>	0.5 AuEq	4,461,900	1.03	0.34	5.09	0.38	0.53	11.20
	Zone 25	0.5 AuEq	308,200	1.45	0.77	33.62	0.13	0.22	2.23
	Zone 34	0.5 AuEq	1,701,500	1.95	1.75	11.83	0.05	0.04	0.01
	Zone 51	0.5 AuEq	649,900	1.24	0.66	14.37	0.30	0.28	6.45
Total Inferred Oxide		0.5 AuEq	7,121,500	1.29	0.72	8.78	0.28	0.37	7.70
Sulphide									
Inferred (Sulphide)	<i>Del Indio/Griselda</i>	0.6 AuEq	19,114,500	1.47	0.33	8.95	0.46	1.03	14.92
	Zone 25	0.6 AuEq	1,884,500	1.48	0.48	33.03	0.22	0.55	11.09
	Zone 34	0.6 AuEq	603,000	1.53	1.09	25.07	0.06	0.10	0.10
	Zone 51	0.6 AuEq	4,167,900	1.35	0.49	20.70	0.33	0.55	7.31
Total Inferred Sulphide		0.6 g/t AuEq	25,769,900	1.45	0.39	12.99	0.41	0.89	13.06
Combined									
Inferred (Oxide + Sulphide)	<i>Del Indio/Griselda</i>	0.58 AuEq	23,576,400	1.39	0.33	8.22	0.45	0.93	14.21
	Zone 25		2,192,700	1.47	0.52	33.11	0.21	0.50	9.84
	Zone 34		2,304,500	1.84	1.58	15.29	0.05	0.05	0.03
	Zone 51		4,817,800	1.34	0.51	19.85	0.33	0.51	7.20
Total Oxide and Sulphide Combined			32,891,400	1.42	0.46	12.08	0.39	0.78	11.90

Numbers are rounded. Overall numbers may not be exact due to rounding.

These estimated Mineral Resources conform to NI 43-101, Companion Policy 43-101CP, and the CIM Definition Standards for Mineral Resources and Mineral Reserves. Inferred Resources have been estimated from geological evidence and limited sampling and must be treated with a lower level of confidence than Measured and Indicated Resources.

TABLE 2

San Roque Estimated Mineral Resources by Zone – Contained Metal

(Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability.)

Effective July 22, 2019

Resource Classification	Zone	Cutoff (g/t)	Quantity (tonnes)	Contained Metal					
				AuEq	AU	Ag	Pb	Zn	In
				Oz	Oz	Oz	lb	lb	Oz
Oxide									
Inferred (Oxide)	<i>Del Indio/Griselda</i>	0.5 AuEq	4,461,900	148,100	48,600	730,200	37,497,100	51,788,700	1,606,800
	Zone 25	0.5 AuEq	308,200	14,300	7,600	333,100	866,300	1,518,700	22,000
	Zone 34	0.5 AuEq	1,701,500	106,800	95,500	647,200	1,789,100	1,392,800	600
	Zone 51	0.5 AuEq	649,900	25,900	13,900	300,300	4,243,200	3,987,000	134,700
Total Inferred Oxide		0.5 AuEq	7,121,500	295,200	165,600	2,010,800	44,395,700	58,687,200	1,764,200
Sulphide									
Inferred (Sulphide)	<i>Del Indio/Griselda</i>	0.6 AuEq	19,114,500	904,700	204,900	5,497,800	194,945,800	433,820,600	9,168,000
	Zone 25	0.6 AuEq	1,884,500	89,500	29,000	2,001,300	9,347,400	22,647,200	671,700
	Zone 34	0.6 AuEq	603,000	29,600	21,200	486,100	816,500	1,310,200	1,900
	Zone 51	0.6 AuEq	4,167,900	180,900	65,900	2,774,700	30,283,500	50,465,100	980,200
Total Inferred Sulphide		0.6 g/t AuEq	25,769,900	1,289,100	339,000	11,438,900	254,711,900	548,853,700	11,443,300
Combined									
Inferred (Oxide + Sulphide)	<i>Del Indio/Griselda</i>	0.58 AuEq	23,576,400	1,052,800	253,500	6,228,100	232,442,900	485,609,300	10,774,800
	Zone 25		2,192,700	103,900	36,600	2,334,400	10,213,700	24,165,900	693,800
	Zone 34		2,304,500	136,400	116,700	1,133,300	2,605,600	2,703,000	2,500
	Zone 51		4,817,800	206,800	79,800	3,074,900	34,526,700	54,452,100	1,114,900
Total Oxide and Sulphide Combined			32,891,400	1,499,900	486,600	12,770,700	279,788,900	566,930,300	12,586,000

Numbers are rounded. Overall numbers may not be exact due to rounding. Note: lb. = (grade/100) x tonnage x 2,204.62.

These estimated Mineral Resources conform to NI 43-101, Companion Policy 43-101CP, and the CIM Definition Standards for Mineral Resources and Mineral Reserves. Inferred Mineral Resources have been estimated from geological evidence and limited sampling and must be treated with a lower level of confidence than Measured and Indicated Mineral Resources.

These tabulated Inferred Mineral Resource estimates have been constrained to the set of the four conceptual Whittle pit shells and the economic potential tested using the following assumptions and known parameters to set the sulfide and oxide Cut-Off grades:

- Open pit with heap leaching and sulfide flotation processing
- The approximate base of surface oxidation for each of the 112 drill holes (averages 39 meters)
- Mining costs of US\$1.50/t,
- Milling costs of US\$10.00/t and US\$16.00/t respectively for Oxide and Sulphide
- Gold price of US\$1,267.00/oz
- US\$5.00/t G&A
- Gold Equivalent (AuEq) based on the following metal value ratios to Gold: 1 (Au), 75 (Ag), 19,565 (Pb), 15,716 (Zn), and 117 (In) as calculated using three year trailing average metal prices of US\$1,267.00/oz Gold, US\$17.00/oz Silver, US\$1.00/lb Lead, US\$1.20/lb Zinc, and US\$10.80/oz Indium
- AuEq Cut-Off grade calculation assumes 70% recovery for Oxide hosted metals and 80% recovery for all metals in the Sulphide realm for lack of metallurgical recovery test results
- Bulk density has been applied to all materials as 2.63 tonnes per cubic meter

The mineral resource estimates are based on a combination of detailed geological modeling conducted in Aranz Leapfrog 3D software, along with geostatistical and conventional block modeling using the Inverse Distance Squared method of grade interpolation in Datamine Studio RM software. Leapfrog 3D software employs

advanced implicit modeling techniques to generate geological models from drill holes and trenching data. The mineral resources were estimated using a non-rotated block model with parent blocks of 5m x 5m x 5m with 5 sub-cells allowed in the X, Y, and Z directions. Block sizes were rounded to the nearest 0.5 m.

Tetra Tech and management both consider the computer modeling of the four zones to forecast that with continued drilling several of these zones may be found to have subsurface connections; a possible feature that could markedly enhance the estimated Inferred Mineral Resources. Notably, numerous drill holes ended in good mineralization. Additionally, sensitivity analyses done by Tetra Tech were used to resolve appropriate cut-off grades for mineralized material both in the surface oxide and underlying sulfide, or un-oxidized, realms. That analysis shows the Inferred Mineral Resource estimate is included within a consolidated mineralized domain of 60 million tonnes or more. Moreover, the Company's geological team believes that, based on surface mineralization indications, the consolidated mineralization domain would be considerably expanded with step-out drilling on the known zones.

Management's opinion of the San Roque property is largely based on the geological and resource model generated by Tetra Tech. Management believes there is sufficient evidence to imply that the multiple zones modeled are hosted along the same geologic trend and structure, and that further drilling along that trend will result in discovery of more and potentially economic epithermal polymetallic mineralization containing important amounts of precious metals.

Also, notably, significant copper and molybdenum mineralization is present in some of the drill cores. These elements, however, were not included in the Tetra Tech Inferred Mineral Resource calculation. Management believes that had they been, it would have materially added to the Inferred Mineral Resource. Also not included is mineralization exposed by drilling to be deeper than the constrained Whittle open pits bottom levels that ultimately might be amenable to open pit or underground mining.

Management, in line with Tetra Tech's recommendation, is targeting, as aforementioned, extractive metallurgical testing as the being the next tangible and cost-effective step in the development of the San Roque Mineral Resources. In the opinions of both management and Tetra Tech a significant quantity of the currently defined Inferred Mineral Resources could likely be moved into more advanced Mineral Resource categories upon receipt of encouraging metal recovery test results. These opinions are founded on the close drill hole spacing in some locations – particularly in Zone 33 on the Del Indio structure where many drill holes are spaced 25 meters to 50 meters apart along its strike length. The Company's technical team anticipates the San Roque sulfide mineralization will suitably respond to standard sulfide flotation technology, and at this time sees no obvious reason why acceptable sulfide concentrations could not be produced. The Company expects that with such metallurgical test results and consequent revised Mineral Resource estimate a Preliminary Economic Assessment could be undertaken.

Management is mindful that neither the limits of the reported San Roque Inferred Mineral Resource, nor the larger body of mineralized material in which it is contained, have yet been found by exploration drilling. Many drill holes ended in good mineralization. It is therefore assuredly optimistic that an intensive drilling program would expand and improve the classification of the estimated Inferred Mineral Resources, join or connect up some of the individual resource zones, and in general enlarge the limits of the known mineralized body.

Beyond the polymetallic mineral zones hosting the Inferred Mineral Resource, prospecting which included mechanized trenching identified and exposed several precious metal exploration drilling targets about two kilometers northwest of the Zone 33. Management considers this 2018 discovery of the NW Vein System adds a whole new dimension of gold deposit discovery potential to the San Roque property. The Company's geologists are of the view that this extensive epithermal quartz vein system is genetically related the zones hosting the Inferred Mineral Resource. But it is of distinctly different character in than its multi-gram gold and silver mineralization and is not associated with base metal sulfides of any significance. A fluid inclusion study on the quartz of the veins determined them to be of low sulphidation epithermal character overlying a fluid boiling zone that is prone to host a high grade gold and silver deposit. Notably, an extensive zone of geochemically gold anomalous volcanic bedrock silicification lies within the plus two kilometer long NW Vein System, and is by itself considered by management to be silica capping on a bulk tonnage gold drilling target of high priority for the next San Roque drilling campaign.

The San Roque property is in a region of well-developed infrastructure where development costs are expected to be comparatively low. The Company is at this time unaware of any risk factors related to environmental, permitting, legal, title, taxation, socio-economic, marketing, or political issues which could materially adversely affect the potential development of the property. In addition to the mineralization constrained within the Whittle shells, Tetra Tech assessed the geological continuity of the zones, the near surface nature of the mineralization, and the San Roque property's close proximity to local infrastructure. Based on these considerations, the constrained mineralization presented is deemed by both Tetra Tech and the Company to have reasonable prospects for economic extraction.

The San Roque mining concessions (Mina) are subject to a government mandated 3% mine-mouth, or pithead value, annual production royalty. The San Roque property is currently not subject to any other royalties.

In early 2020, Marifil's board of directors adopted a revised business strategy to sell or otherwise relinquish its non-core assets and shift its focus exclusively to gold. San Roque is a core asset and presents a good opportunity for organic growth. The Company is in discussions with its partner, NovaGold Resources, about the possibilities for acquiring their equity interest in MSRSA. In any event, the Company intends to raise funds to continue drilling the many attractive prospects on the San Roque property.

OTHER GOLD MINERAL EXPLORATION PROPERTIES

Ortiquita property, San Juan Province

(epithermal gold-silver)

On December 5, 2018 the Company successfully lodged a cateo (exclusive temporary mineral exploration permit) of 2,166 hectares in the historically productive El Indio Gold Belt, a mineral rich region of the Andes Mountains spanning the border between Chile and Argentina that contains large gold, silver and copper mines. This property is located roughly 12 kilometers north-northeast of Barrick Gold Corporation's Veladero gold mine on the Pascua-Lama to Veladero high sulphidation epithermal gold deposits trend. It shares a 250 square kilometer crowded field of mine claims belonging to competitors. Its staking was opportunistic acquisition by Marifil, which through researching title records discovered an old cateo that had expired and the space was again open for claim location. The large block of mine claims surrounding Ortiquita contains significant hydrothermal alteration

as depicted by satellite imagery. Favorably altered and gold mineralized volcanic rocks have also been found in past explorations by various companies working the large claim block.

The Company has recently been successful in obtaining a portfolio of technical reports done by previous holders of the property and is in the process of making a geological review of the data base in the context of drill target recognition. The property has never been tested by drilling. Much of the past exploration drilling in the district around the property has targeted porphyry copper-gold/epithermal gold systems. In years long past, drilling took place on a four-square-kilometer breccia zone within one kilometer northwest of the property where it intersected favorably altered geochemically gold anomalous volcanic formations and altered and pyritic porphyry. Management believes the property possess good hunting grounds for buried gold bearing porphyries.

During 2020, Company geologists continued office assessment of the Ortiguita property as they were unable to launch a field prospecting evaluation of it for lack of funding. The Company is looking to either joint venture or option-out the property.

Castaña property, San Juan Province (epithermal gold-silver-base metals)

The Castaña gold project was initiated in 2019 when the Company bought two small mining concessions, called Mina, by paying the real estate taxes due on them and making two exclusive exploration rights applications (cateos) in the historic Castaña gold mining district, located at moderate elevation on the east front of the Andes Mountains. There are no known production records.

There is intense revitalized industry interest in the old gold mining district as it is now jam packed with mining claims of various and sometimes legal questionable status. The Company is currently engaged in efforts to consolidate a larger land position. Marifil's land agents closely monitor ongoing developments of the province's Cadastral Registry (legal mining claims map) watching for acquisition or consolidation opportunities, taking intervention activities as justified and talking with other claim owners about potential partnerships in unify mining claims positions into one large claim block. Marifil anticipates the provincial mining department will soon award to it two contested mining concessions, adding to the two it already has. Also, the Company applied for a highly prospective cateo as simultaneously did a competitor. The Company understands the successful applicant will be determined by lottery in the San Jun Department of Mines, a drawing date for which remains to be set.

The Company currently controls 2,739 hectares of mining rights in the Castano gold mining district as 54 hectares of Mina plus 2,685 hectares as a cateo, with potential additions of 586 hectares as 60 hectares of Mina plus 526 hectares as the cateo which depends on the outcomes of the drawing. If successful in its endeavors, the Company would end up with 108 hectares of mining concessions and 3,271 hectares of exclusive prospecting rights.

A major international mining company conducted exploration operations some 10 years ago in the zone of these claims. Their work defined an attractively prospective zone for gold deposits about 10 kilometers long, but that company subsequently abandoned their claims when a corporate decision was made to cease business operations in Argentina. A reconnaissance field examination by Marifil's geological staff confirmed this prospective zone to be part of a northeast trending complex of hydrothermally altered intrusives (quartz-monzonite porphyries) and associated hydrothermal breccias containing geochemically anomalous gold and

copper. Proximal to the porphyry and breccia complex are several Mina of lead-zinc-silver and copper-gold veins with minor production histories.

During 2020, the Company continued its efforts to collect and analyze historical technical data generated by numerous previous workers in the Castano gold mining district. No records of modern day exploration drilling have been found. Marifil's geologists are examining various years past episodes of geologic mapping in conjunction with a variety of antiquated geochemical and geophysical survey results. Once a better assembly of mine rights is accomplished and some follow-up due diligence field work on recommended drill targets is completed, a drilling campaign will be initiated, pending funding. The Company has already identified a hydrothermally altered gold bearing igneous breccia pipe to be a good quality drilling target. However, it lies within the cateo the ownership of which is to be settled by the aforementioned drawing in the mines department. At some point after that, the Company will likely seek a funding joint venture partner.

Lago Fontana (Ferrocarillera), Chubut Province (epithermal gold-silver-base metals)

The Lago Fontana gold exploration project remained on standby status for all of 2020. The Lago Fontana property consists of 16 mine rights covering 17,498 hectares, of which 14 of those are perfected mining claims, or Mina (mining concessions), containing 83 pertinencias (claims) that cover 498 hectares. These Mina, which are real estate, were established in 1940 - 1942. Additionally, there is one Manifestation of Discovery (MD) of 7,000 hectares plus a temporary exclusive mineral exploration permit (cateo) totaling 10,000 hectares. A MD is a transition mining right of conversion of a cateo into a Mina. A determination of the project's legal status is pending resolution of what ecological category the region is to be declared by the Chubut provincial legislature. It is located in the Andean Mountain front near the Argentine - Chile boarder next to Fontana Lake, with good access by road and 400 kilometres from the large oil services city of Comodoro Rivadavia.

In 2003, the provincial legislature of the Province of Chubut enacted Law 5001 which prohibits open pit mining and the use of cyanide in mining in the province. In October of 2020, a legislative attempt brought forth by the governor of the province to exclude two of Chubut's fifteen departments (i.e. counties) from that mining ban failed. The Company's Lago Fontana is not in either of those departments. Additionally, in 2007, the Province of Chubut enacted legislation to suspend mining activities along its front of the Andes Mountains while it evaluates the region for sectors to include in various conservation categories. Ever since, the Lago Fontana project has been locked in the vice of these two laws. The project remains suspended in a standby basis until Law 5001 is favorably changed and a favorable outcome in the completion of the ecological studies may be made. The Company's mine rights are frozen and taxation of the Mina has also been postponed. The mine rights fees (called canons) are paid up through 2010. At such time that mining may ever again be allowed in the region, Marifil would then have to pay the accumulated sum of all the annual canons between 2011 and the year such event may happen in order to keep the Mina. That amount would be approximately US\$6,000 if such event were to occur in 2021. At this time, Marifil does not intend to relinquish its mining claims and may consider seeking just and fair compensation through the courts should the Province of Chubut seize Marifil's Mina by law of eminent domain or permanently block access to them.

An old mine called Ferrocarrilera exists on the Mina and was operated on a small scale between 1939 and 1947. The Company does not have its production records but notes the underground mine workings amount to only

493 meters. Polymetallic sulphide ore minerals occur in several quartz veins and shear zones across the property. There are historic mineral resources on two veins – Veta Ferrocarrilera having 840,000 tonnes with 1g/t Au, 10 g/t Ag, 0.03% Cu, 0.95% Pb and 0.78% Zn, and Veta Cerro Cuchi having 337,500 tonnes with 0.23 g/t Au, 10.75 g/t Ag, 0.10% Cu, 0.65% Pb and 0.80% Zn. These are not NI 43-101 compliant resources and have not been checked by a qualified person. Marifil’s geologic consultants think this potential can probably be increased upwards to 2 Mt with good zinc and lead grades carrying strong credits in gold and silver.

These veins are epithermal in character and cut through Tertiary age dacitic volcanics. The exploration potential for discovery of a bulk-tonnage epithermal gold deposit is good.

The Company optioned the Lago Fontana property to Apex Silver Mines Ltd. in 2006. Apex began a comprehensive exploration program, finding robust stream sediment gold anomalies up to 43.3 g/t Au on extensions of the known mineralization, and further confirming the potential mineral resource by extensive rock chip channel sampling yielding up to 0.51 g/t Au, 7.5% Pb and 5.3% Zn across 6.3 meters of width of a quartz vein. The Apex exploration program and its option agreement were terminated on news Chubut province was indefinitely closing the area to mining related activities.

Marifil has no work plans at this time for its Lago Fontana property and does not consider the historical resource to be a current mineral resource. The geochemical anomalies generated by Apex present tantalizing gold deposit discovery possibilities, but the Company deems it inappropriate to engage in any follow-up exploration activities for the foreseeable future.

NON-CORE ASSETS

(Properties with no gold or without a significant gold component)

LAS AGUILAS PROPERTY, SAN LUIS PROVINCE

(nickel-copper-cobalt-platinum: Electric Vehicle Battery Metals)

Las Aguilas is mineral deposit asset of the Company having NI 43-101 Mineral Resources. However, it is a non-core asset the Company is aimed at divesting itself of.

In early 2020, Marifil’s board of directors adopted a revised business strategy to sell or otherwise relinquish its non-core assets and shift its focus exclusively to gold. This policy decision was announced by the Company’s news release: “Marifil Sells Non-Core Assets to Focus on Gold”, dated April 6, 2020. On April 1, 2020, the Company entered into a transaction agreement to sell its non-core lithium and nickel-copper mining claims to Global Elsimate Capital Corp (“GECC”) for consideration of \$2,000,000 as GECC shares. The mainstay of the sales portfolio was the Las Aguilas property with its NI 43-101 Mineral Resources. GECC subsequently initiated a change of business and became Extreme Vehicle Battery Technologies Corp (“ACDC”). The Canadian Securities Exchange deemed that the 2011 NI 43-101 report was antiquated and so required ACDC to file an updated NI 43-101 technical report on the Las Aguilas property. Despite significant efforts to satisfy the 43-101 Report requirement and given the complications and delays caused by the COVID-19 pandemic, ACDC determined that it could not prepare the 43-101 Report in a timely fashion. Accordingly, effective October 22, 2020, ACDC and the Company determined to terminate the transaction, and announced that termination in a Company news release “Marifil to Seek New Buyer for Battery Metals Portfolio and Provides Corporate Update”, dated October 23, 2020.

The Las Aguilas property is in central Argentina in the Province of San Luis. It is approximately 800 kilometers west of Buenos Aires. The nearest urban center is the city of San Luis, approximately 35 kilometers to the south. Good roads access the property all year. It hosts a magmatic segregation type sulfide deposit of nickel-copper-platinum group elements and is the largest known resource of nickel in Argentina. The aforementioned Las Aguilas NI 43-101 Technical Report was completed by Wardrop, a Tetra Tech company (Wardrop), on April 11, 2011 with their estimated resources presented in Table 3 below. The Wardrop Las Aguilas report recommends additional exploration expenditures where extension of the known zones of mineralization offers the potential for significant resource expansion.

No field activities were conducted on the Las Aguilas property during 2018, 2019 and 2020. Although no field activities were conducted on the Las Aguilas property during 2019, on September 13, 2019 the Company signed a collaborative agreement with the National University of the South ("NUS") whereby the Company has now moved all salvageable Las Aguilas drill cores (amounting to about 19,000 meters) from a rental storage warehouse in Mendoza to the NUS in Bahia Blanca. Additionally, the agreement allows for various technical and scientific projects and studies to be conducted on the drill cores by university staff and students, and in return the Company gets safe, secure and free drill core storage while maintaining full access to it and use of it. The Las Aguilas base and precious metal sulfide deposit has attracted a lot of research interest in academia as it is the only known nickel resource of significance in Argentina. The Company expects this will be a beneficial relationship where research findings will help to enhance the understanding and value of the mineral deposit.

The Company estimates that since 1970 approximately US\$15 million has been spent on the property and exploring the 100 km long ultramafic rock belt it occurs within. Marifil and its former joint venture partners account for over half of that amount.

Marifil acquired the Las Aguilas Minas in the year 2000 by paying the overdue canons (real estate taxes) on them. Over the years, the Company has held four mining concessions (Minas) totaling 359.4 hectares which comprised the property. Those Minas are: Marco Antonio of 28.4 hectares, Las Aguilas I of 201.0 hectares, Las Aguilas II of 100.0 hectares, and Virorco of 30.0 hectares. Excluding Virorco, these Minas hold the National Instrument 43-101 resource as announced by the news release: "Marifil Receives NI 43-101 Resource Estimate for Las Aguilas Nickel Platinum Deposit", dated May 11, 2011 and filed on SEDAR at www.sedar.com on the same day.

Mining concessions, synonymously referencing Minas, are real estate that grants the title holder the right to conduct further exploration work after a discovery has taken place, and to then exploit all the in-place mineral deposits found within the boundaries of the Mina. The transfer of a Mina title (or change of control) is not subject to governmental approval. Mining concessions are not subject to a life term and, therefore, to the extent the title holder does not incur any of the concession termination events set forth in the Argentine Mining Code ("AMC"), the concession will last until the "extinction" (complete extraction) of the identified mineral resources and/or reserves. Mining concessions are subject to a government mandated 3% mine-mouth, or pithead value, annual production royalty. Minas are real estate and incur annual property taxes.

There are three essential obligations to keep the title ownership of a mining concession in good standing: 1.) the payment of an annual mining fee or real estate tax called a "canon", 2.) the lodgment of and compliance with a registered investment plan, and 3.) avoidance of a four year period of inactivity on the mining concession.

Ownership of the Mina title can be revoked by the provincial Mines Department for non-compliance of any one of these conditions in accordance with the terms of section 225 of the AMC. Should the concession be revoked it is then declared vacant at which time any person or federally registered company can apply for and gain title ownership provided any deficiencies like canons in arrears are satisfied. The prior owner of a concession declared vacant is not allowed to refile for ownership of the Mina for a period of one year.

The Company has maintained the canon payments current and has complied with filing investment plans for the four Las Aguilas mine concessions. However, the Company was notified by the San Luis Provincial Mines Department ("SLPMD") that three of the Las Aguilas Minas (Marco Antonio, Las Aguilas 1 and Virorco) have been revoked and declared vacant. The SLPMD noted that the Company had not done any physical work on those Minas for over four years and hence pronounced it was in violation of section 225 of the AMC. The SLPMD notified the Company of its title revocations of the Marco Antonio and Viroco Minas on November 1, 2018 and the Las Aguilas 1 Mina on September 13, 2019. It had been the Company's intent to delay further work on those Minas as under present metal market conditions the NI 43-101 defined mineral resources on Las Aguilas property would not be economically exploitable. Pending funding acquisition, management plans were to reinstate work on the property at such time metal market conditions may improve.

Once the Marco Antonio, Las Aguilas 1 and Virorco Mina vacancies were made of public notice, three unrelated and independent local people were able to directly acquire them. Aware of the new ownerships, the Company acted quickly to negotiate separate deals with each of them whereby the Company could purchase the three Minas within a two year period by terms of Exploration and Option to Purchase contracts (the "Agreement(s)"). The Company consummated the Agreement for Marco Antonio on March 15, 2019, for Virorco on August 21, 2019, and for Las Aguilas I on December 27, 2019. The new private title holders want the commercial terms of their Agreements with the Company kept confidential notwithstanding a provision in all three Agreements for a purchasable 0.5% Net Smelter Return royalty on each of their Minas should the Company exercise its call option to purchase it.

Mineralization at Las Aguilas is located within small, variably differentiated mafic/ultramafic bodies intruding a Precambrian metamorphic rock complex and is typical of world-wide magmatic segregation type semi-massive sulfide deposits with 10% to 50% sulfides containing platinum group metals ("PGMs").

Three drilling campaigns by three different companies total 143 diamond drill core holes for 29,499 meters, plus a 113-meter-long adit for a 30 tonne metallurgical bulk sample was also completed. The National Instrument 43-101 report was completed by Wardrop Engineering Inc. on April 29, 2011: "NI 43-101 Technical Report and Resource Estimate of the Las Aguilas Project, San Luis Province, Argentina". The report was authored by two Qualified Persons, Todd McCracken, P. Geo. and Callum Grant, P. Eng. They only used the most recent drilling to calculate and estimate the resource. That included 79 core holes completed by Castillian Resources Corp. (Marifil's former JV partner). The Las Aguilas resource is developed on two parallel nickel sulphide zones 300 meters apart (West and East deposits). The Indicated and Inferred Mineral Resource estimates are summarized in Table 3 above and fully displayed in Table 6 below. These estimated resources are open to expansion and possibly to grade enhancement by continued drilling.

Between 1970 and 1988, Direccion General de Fabricaciones Militares ("DGFm"), an agency of the Argentina Government which provides mining services, conducted geological, geophysical, and metallurgical studies that

included drilling 43 diamond core holes for 9,800 meters. DGFM also completed a feasibility study concluding the deposit could be economically mined (Barda Santiago Ing. De Mina, 1988, I.M.A Reservdo, Viabilidad del Yacimiento Las Aguilas). For clarity purposes, the Company is not treating the DGFM historical reserves as current estimated mineral resources or mineral reserves and a qualified person has not done sufficient work to classify the historical reserve as any kind of "ore" reserve.

In 1989, limited number of metallurgical concentration tests made by Centro de Investigacion Minera Metalurgica in Santiago, Chile at a laboratory scale revealed an ore of non-refractory sulfides for a sample of large volume (30 tonnes from the adit), of a grade 0.375% Ni, 0.266% Cu and 0.022% Co which obtained a concentrate of 9.38% Ni, 15.2% Cu, 0.54% Co, with 6 g/t of Pt + Pd, 3 g/t Au, 9 g/t Ag, 29% Fe and 26.7% S. The recoveries varied from 68% to 83% for the Ni and from 89% to 92% for the Cu. The degree of metallurgical recovery for Las Aguilas appears to be similar to that of other sulfide deposits of its geologic class (ultramafic magmatic segregation deposits).

During the period from 1999 to 2000 Marifil optioned the property to Western Mining Corporation who completed a regional airborne geophysical study, and then from 2003 to 2005 to BHP Billiton World Exploration Group who completed extensive ground geophysical and geochemical surveys and drilled 22 diamond core holes for 6,842 meters. This drilling was oriented towards regional exploration with 6 holes being drilled into the Las Aguilas deposits. The other 16 holes were drilled testing various geologic-geochemical-geophysical anomalies spread out for tens of kilometers to the north of Las Aguilas. The most significant drill intercept came from Marifil's Virorco claim about 3.5 km north of Las Aguilas. There, vertical drill hole SL-15/04 tested a strong IP-resistivity anomaly and encountered a 90 meter interval of relatively well mineralized (7-10% sulfides) pyroxenite. Its basal portion assayed 0.27% Ni and 0.27% Cu along with strongly anomalous cobalt and platinum group metals over 19 meters starting at 200 meters. The extensive IP-resistivity anomaly associated with the mineralization has not been further drill tested. The Company believes this situation could constitute a nickel-copper-cobalt deposit discovery in the making should more drilling follow.

Las Aguilas has two mineralized intrusions as initially defined by DGFM that are 300 meters apart: the Las Aguilas East and Las Aguilas West deposits. Mineralization comprises pyrrhotite, chalcopyrite and pentlandite (ores of copper, nickel, cobalt, and platinum) in a matrix-supported texture, with some fracture-controlled massive sulphide veins. Pyrrhotite and chalcopyrite occur as disseminations, patches of net-textured accumulations, as well as mineralized fractures and veinlets found throughout the intrusion. The sulphide content is 15% to 20% on average. Significant PGE mineralization, particularly represented by platinum and palladium, has been identified at Las Aguilas, as well as copper, cobalt, and minor gold contents. Petrographic studies identified merenskyite and sperrylite as the main PGE minerals.

Marifil optioned the property to Castillian Resources Corp. in 2007 and they conducted the latest round of drilling from which Wardrop calculated the National Instrument 43-101 mineral resource. Between November, 2007 and February, 2008 Castillian completed geological mapping, petrographic studies, 28,600-line km of BH-TEM, 3,569-line km of airborne VTEM, an environmental baseline study, and 78 HQ/NQ drilled holes totaling 12,857 meters, most of which were surveyed with down-hole geophysical instrumentation (BHEM).

The Castillian drilling extended the Las Aguilas West deposit an additional 100 meters south and 50 meters north. The Las Aguilas West deposit and intrusion have now been intersected by drilling over a length of 800 meters

and to a vertical depth of 250 meters. The Las Aguilas West deposit is a 5 to 25-meter-wide tabular body contained within a pyroxenitic dike that shows mostly subvertical dips to the east, but in the southern third, the dips change from subvertical to the west to a shallow westerly dip. The mineralized intrusion appears to be cut off to the south by a post-mineral noritic intrusion.

The Las Aguilas East deposit is a 10 to 30-meter-thick sulphide body having 100 meters of strike length and plunging about 45° to a vertical depth of at least 330 meters. The mineralization is hosted by a variety of ultramafic intrusive rocks. This resource occurs within a large fold with the mineralization being open-ended down dip along the plunge of the fold. Based on drilling results, the size and grade of this deposit are increasing with depth. Hole CT LA08-078 was drilled to test the depth extent of the East deposit. It intersected nearly 20 meters of sulfide mineralization, thereby confirming the continuity of the deposit down plunge by about 70 meters. It is the deepest intercept of the East deposit to date at approximately 250 meters vertical depth and shows a marked increase in grade. The East deposit remains open to continuation below this intercept.

Some highlights of Castillian’s diamond core drilling are:

Las Aguilas West:

- LA08-070 -- 18.95 meters with 0.40% Ni, 0.48% Cu, 0.03% Co, 0.23 g/t Pt and 0.31 g/t Pd;
- LA08-074 -- 15.80 meters with 0.41% Ni, 0.55% Cu, 0.03% Co, 0.40 g/t Pt and 0.38 g/t Pd.

Las Aguilas East:

- LA08-078 -- 19.67 meters with 0.58% Ni, 0.42%Cu, 0.03%Co, 0.44 g/t Pt, 0.50 g/t Pd and 0.22 g/t Au, including 5.64 meters of 1.05% Ni, 0.62% Cu, 0.04% Co, 0.8 g/t Pt, 0.69 g/t Pd and 0.14 g/t Au.

The Las Aguilas property was returned to Marifil in 2009 when Castillian terminated its option agreement. The price of nickel had fallen from a high of nearly US\$23/lb. in 2007 to around US\$6/lb. in 2009.

The Wardrop project analysis completed in May, 2011 concluded that the geological understanding is sufficient to support resource estimation. The project has a total of 144 completed drill holes. Of those, only the 79 Castillian holes within the area of interest were included in the Wardrop NI 43-101 technical report as filed on www.sedar.com on June 20, 2011. The delay was due to availability of data verification. Table 3 below summarizes their resource estimate.

TABLE 3
Las Aguilas Estimated Mineral Resources by Zone – Tonnage & Grade
 (Mineral Resources are not Mineral Reserves, and do not have demonstrated economic viability.)
 Effective April 29, 2011

Resource Class	Zone	NiEq% Cut-off	Tonnes	Ni%	Cu%	Co%	Au (ppm)	Ag (ppm)	Pt (ppm)	Pd (ppm)	NiEq%
Indicated	East	0.40	1,036,800	0.52	0.35	0.03	0.09	0.53	0.19	0.19	0.77
	West	0.40	2,227,000	0.36	0.45	0.03	0.03	0.29	0.15	0.19	0.62
	Total		3,263,800	0.41	0.42	0.03	0.05	0.37	0.16	0.19	0.67
Inferred	East	0.40	650,000	0.48	0.33	0.03	0.03	0.31	0.05	0.04	0.65
	West	0.40	689,000	0.35	0.43	0.03	0.01	0.01	0.01	0.01	0.53
	Total		1,339,000	0.41	0.38	0.03	0.02	0.16	0.03	0.03	0.59

The summary resources of this table are based on a 0.40% NiEQ cut-off parameter which incorporated metals prices of early 2011 to calculate tonnages and grades. They are based The nickel equivalent (Ni Eq.%) formula = ((Ni grade x \$Ni)+(Cu grade x \$Cu)+(Co grade x \$Co) x 20+[(Au grade x \$Au)+(Ag grade x \$Ag)+(Pt grade x \$Pt)+(Pd grade x \$Pd)] x 0.0291667)/(\$Ni

x 20). The metal grades used in the formula are the separate metal grades presented in the table. As no recent extractive metallurgical tests have been completed for the various the elements, the Ni Eq. formula assumes 100% recovery based on in-situ material. The estimated resource was created in April of 2011 with the following commodity prices being used to calculate the Ni Eq.: Ni = \$9.02/lb, Cu = \$2.66/lb, Co = \$15.92/lb, Pt = \$1,842/ozt (ozt = ounces per tonne), Pd = \$681/ozt, Au = \$1,058/ozt, Ag = \$16.57/ozt.

The Wardrop report recommends additional exploration expenditures where extension of the known zones offers the potential for resource expansion; particularly along strike on the West Zone and down-dip on the East Zone. Future work will follow up on prior extensive geophysical data to identify new step out drill targets within the prospective claim area. The NI 43-101 report also recommends a down-hole geophysical survey to aid in the step-out drilling.

Marifil management continues to believe that the Las Aguilas property with its contained metal resources is an asset, Management intends to realize its value by selling or trading it. The Company therefore intends to exercise its three Exploration and Option to Purchase contracts for recovery of the Minas during 2021. Nevertheless, The Company has written down the carrying value of the Las Aguilas property to zero.

LITHIUM BRINE PROPERTIES, CATAMARCA PROVINCE

(Electric Vehicle Battery Metal)

Background

During 2009, the Company carried out a lithium brine exploration program on various salars (salt lakes or alkali flats) within Salta and Catamarca provinces of Argentina. That prospecting activity was within the southern portions of the famed "Lithium Triangle". The field program resulted in the staking of thirteen properties covering 37,600 hectares, and the production of an NI 43-101 technical report. No drill testing of the properties was accomplished. With the subsequent burst of the "lithium bubble" and attendant diminishing of investor interest the Company either abandoned or sold its properties. The properties are located within intermountain basin on the vast puna plateau, a high elevation basin-like plain on the eastern slope of the Andes Mountains.

In the first quarter of 2018, following recovery of the lithium investment market, management decided to reactivate the Catamarca sector of its lithium exploration program using the geological and geochemical data base it had developed in 2009. The lead project geologist also rejoined the Company. One of its old claims, the Ratones cateo (a "cateo" is a temporary exclusive exploration permit), was still valid and the Company reasserted its ownership with the provincial mining authorities. A second nearby claim, the Fraile cateo, had expired, but the open land had not yet been staked by competitors, so the Company refiled a cateo on it. A third property consisting of two contiguous manifestations of discovery, Carachi Pampa III and Carachi Pampa IV were formerly owned by Marifil, and were sold to Compañía Minera Esperanza S.A. ("Esperanza"), a private Argentinean company, in 2013. Manifestations of discovery are mining claim rights that are in transition from being a cateo to a Mina (mining concession). Marifil struck a deal with Esperanza for reacquisition of those claims on January 26, 2018 with the definitive exploration and option to purchase agreement ("Esperanza Agreement") being signed on May 8, 2018; see News Release "Marifil Enters Into Agreement to Acquire Lithium Claims in Argentina's Famed Lithium Triangle", dated May 15, 2018 and posted on SEDAR and the Company's website shortly thereafter.

Esperanza produced a valid ownership title certificate for Carachi Pampa IV, but could not produce a clean title certificate of ownership for Carachi Pampa III despite continued promises it was working on finding and obtaining it. In observance of this frustration, on December 29, 2018, Esperanza and Marifil then amended some sections of the Esperanza Agreement dated May 8, 2018. The contract amendment freezes Marifil's obligation to continue

contract payments until Esperanza either produces a clean ownership title for Carachi Pampa III or otherwise officially notifies Marifil that it does not own Carachi Pampa III. Aside from the option payment freeze, all other provisions in the contract remain the same. Subsequently, Marifil's persistent research of the Province of Catamarca Graphic Register revealed that the Catamarca Mines Department revoked the cateo for Esperanza not keeping it in good standing. Nevertheless, Esperanza has not acknowledged the revocation of the Carachi Pampa III mine right and has not provided the required notice that it cannot produce its claimed ownership of the mine right. Until such time as it does, the Esperanza Agreement payments remain suspended.

The reactivated project area is approximately 100 kilometers south of FMC's Hombre Muerto lithium brine production operation, also in Catamarca. Lithium is derived from hot waters of volcanic origin leaching it from surrounding volcanic rocks and is concentrated by evaporation in salars that have no outlet except for evaporation. Hydrothermal solutions emanating from regional faults may be a secondary source of lithium and borates.

The three cateos adjusting for the loss of Carachi Pampa III total 12,698 hectares covering various portions of three salars all within the same mining district. No surface owner obligations are pending on any of the claims since all are located on government lands.

In early 2020, Marifil's board of directors adopted a revised business strategy to sell or otherwise relinquish its non-core assets and shift its focus exclusively to gold. This policy decision was announced by the Company's news release: "Marifil Sells Non-Core Assets to Focus on Gold", dated April 6, 2020. On April 1, 2020, the Company entered into a transaction agreement to sell its non-core lithium and nickel-copper mining claims to Global Elsimate Capital Corp ("GECC") for consideration of \$2,000,000 as GECC shares. The sales portfolio included the Rantones and Fraile properties. GECC subsequently initiated a change of business and became Extreme Vehicle Battery Technologies Corp ("ACDC"). The Canadian Securities Exchange required ACDC to file an updated NI 43-101 technical report (the "43-101 Report") on the nickel-copper mining claims. Despite significant efforts to satisfy the 43-101 Report requirement and given the complications and delays caused by the COVID-19 pandemic, ACDC determined that it could not prepare the 43-101 Report in a timely fashion. Accordingly, effective October 22, 2020, ACDC and the Company determined to terminate the transaction, and announced that termination in a Company news release "Marifil to Seek New Buyer for Battery Metals Portfolio and Provides Corporate Update", dated October 23, 2020.

Thereafter, management resumed efforts to divest all of Marifil's non-core assets. Expressions of interest have been received the lithium assets, and the Company is hopeful a purchase deal can be consummated.

Ratones and Fraile, Catamarca Province (lithium with potash: Electric Vehicle Battery Metal)

The Ratones cateo of 850 hectares is controlled 100% by Marifil. It is located on the Ratones Salar about 50 km southwest of the town of Antofagasta de la Sierra, and is accessed by unimproved dirt roads. The crescent shaped Ratones salar is about 1.5 km wide and 15 km long. The Company's claim covers the prospective heart of the southern portion of the salar while competitors have acquired the rest. In 2009, the Company took eight reconnaissance surface water samples on the salar. Geochemically anomalous levels of boron were found but without anomalous lithium. These brine samples are believed to have been diluted by fresh water run-off, and

the results represent only the top of the water column where samples may not be representative of denser brines that exist further down in the water column. The Company did not accomplish any new exploration of the Ratones property during 2018, 2019 and 2020 and is holding the property dormant whilst seeking either a buyer for it.

The Fraile cateo of 5,678 hectares covers the northeast boarder area of the Fraile salar. It is located about 60 km west of the town of Antofagasta de la Sierra, and is accessed by unimproved dirt roads. The staked northeast rim of this large salar is mostly concealed by alluvial fans which would need to be penetrated by drilling to acquire samples of the brine bearing stratum below. The remainder of the salar is staked by competitors. The Company is yet to prospect the site and no exploration data is available.

Carachi Pampa IV, Catamarca Province (lithium with potash: Electric Vehicle Battery Metal)

The Carachi Pampa IV claim is of 6,170 hectares. This mine right has advanced beyond being a cateo, or temporary exclusive exploration permit, to the first steps of becoming an exploitation concession (concesión de explotación o Mina). The exploitation concession enables the titleholder to conduct extraction or exploitation activities within the granted area for an undetermined term, as long as the concessionaire complies with certain good standing conditions. The first step to obtaining such a right is through the filing of a discovery claim (manifestación de descubrimiento, or "MD"). Final title to the concession is given after the measurement of the limits of the area and the measurement's approval by the enforcement authority. Carachi Pampa IV is a MD. The legal processing of the Carachi Pampa IV MD by the Catamarca Department of Mines is still in progress. There can be no assurance that title will eventually be issued to Esperanza.

Carachi Pampa III and IV were formerly owned by Marifil, being sold to Minera Esperanza S.A. ("Esperanza") in 2013, with Marifil keeping a non-purchasable 1% NSR for all commodities. On May 8, 2018, the Company together with Esperanza signed a definitive exploration contract with an option to repurchase them. The contract's term is five years with scheduled option payments to be made each six months that total US\$1,860,000, with Esperanza retaining a subordinate (to Marifil's NSR) 1.5% NSR of which 1% can be purchased for US\$1,000,000 and the remaining 0.5% for another US\$1,000,000.

Under terms of the Esperanza Agreement, Marifil made the first installment of US\$20,000. A clean title of ownership certificate has been delivered for Carachi Pampa IV, but as stated in the above summary Esperanza has been unable deliver an unencumbered title certificate of ownership for Carachi Pampa III, which was originally included together with Carachi Pampa IV in the Esperanza Agreement. As discussed above, Marifil later discovered that Catamarca Mines Department had revoked the Carachi Pampa III manifestation of discovery before the Esperanza Agreement had been signed. Purchase option payments by the Company to Esperanza were frozen and the Esperanza Agreement was then amended, as noted above, to recognize that. At such time as Marifil receives delivery of the required notice of non-ownership of Carachi Pampa III from Esperanza, half of the initial (and so far only) payment is to be applied to a future year with all such scheduled future purchase option payments reduced by 50%.

The Carachi Pampa salar is about 375 square kilometers in area, lies within a large intermountain basin and is accessible by good paved and dirt roads about 50 kilometers south of the town of Antofagasta de la Sierra. Geologically, the nearby young volcanic formations are an excellent source of lithium. In 2009, the Company's

reconnaissance sampling of surface waters yielded assays of up to 261 mg/l lithium.

An industry competitor, Lake Resources NL (an Australian public mining company – “Lake”), has secured some 70,500 hectares of mining rights known as the Kachi Project adjoining the Company’s optioned Carachi Pampa IV claim on the north.

On November 27, 2018, Lake announced a drilling based JORC compliant resource of 1.01 million tonnes of Lithium Carbonate Equivalent (“LCE”) at 289 mg/L lithium (Indicated), and 3.4 million tonnes LCE at 210 mg/L lithium (Inferred). This resource remains open at depth and laterally, and further drilling is expected to expand and upgrade it. It has low impurities as indicated by a Mg/Li ratio of 3.8 to 4.6. The total Mineral Resource comprises a brine volume of 3.8 km³, with an average drainable porosity of 8%, and mean lithium grade of 211 mg/L, for a total lithium content of 826,000 tonnes, or 4.4 million tonnes LCE.

A small scale direct lithium extraction modular pilot plant was subsequently established on site. A series of metallurgical recovery tests using brines recovered from drill holes was conducted in several labs in North America successfully produced high purity - low impurity lithium carbonate suitable for battery production.

An initial Pre-Feasibility Study (“PFS”) completed in April of 2020 utilized the Indicated Resource. No inferred resources were used. A diluted lithium grade 250 mg/L was used as feedstock to the direct extraction plant in the engineering study. A 25,500 tpa LCE production target was set for the PFS and was based on the utilization of 90% of the JORC Indicated Resource. Results show an unlevered post-tax NPV of US\$748 million and IRR of 22%; with an EBITDA of US\$155 million in first full year of production, using forecast of US\$11,000/t lithium carbonate. The PFS capital cost estimate of US\$544 million including contingency, and operating cost of US\$4,178/tonne lithium carbonate are seen to be competitive. It concludes that Kachi is a high margin project with an operating margin of 62%, using forecast prices.

Management notes that although Lake’s claims cover nearly all of the exposed salar, the subsurface aquifer of lithium laden brine undoubtedly transgress the claim boundary with Carachi Pampa IV. Carachi Pampa IV lies on the southeast boundary of Lake’s holdings on the south of the salar shoreline. It is covered by wind-blown volcanic sand and some rock talus. The Company’s geologists believe a sizeable extension of the exposed salar lies hidden under this surficial cover, and thus the exploration discovery potential for lithium bearing brines is very high. This situation undoubtedly enhances the value of Marifil’s holding.

The Company has not undertaken lithium exploration work on Carachi Pampa IV since its acquisition in 2018.

It was reported in the Company’s 2019 MD&A that Esperanza was developing a fracking sand project on Carachi Pampa IV. That attempted failed because it became non-cost competitive when others discovered fracking sands much closer to the oil industry consumers at the time it was being launched.

As previously stated, in early 2020 Marifil’s board of directors adopted a revised business strategy to sell or otherwise relinquish its non-core assets and shift its focus exclusively to gold. A potential buyer has expressed interest in purchasing the Carachi Pampa IV claim, and the Company is evaluating the proposal.

**El Carmen, property, Chubut Province
(hydrocarbons: oil and gas)**

The El Carmen hydrocarbon property remained dormant for all of 2020. All titles to its oil mining claims have been transferred into Spinell S.A., a wholly owned Marifil subsidiary company, in preparation for sale of the property. The continued low price of oil inhibited the Company's efforts to sell or option-off the property. The Company has wholly-owned titled hydrocarbon exploitation rights, an unusual circumstance in Argentina where hydrocarbon properties are normally concessions awarded by the state. Marifil will no longer pursue exploration of the El Carmen property and has written down its carrying value to zero.

El Carmen is a 2,025 hectare property consisting of a block of four perfected mining rights ("Minas") containing 25 claims (pertinencias) for oil on the north flank of the Golfo San Jorge Sedimentary Basin on the Atlantic coast, Argentina's second most prolific oil producing region. Local oil development infrastructure is excellent. The property has no production history; however, 12 wells drilled between 1928 and 1944, of which 6 were dry or abandoned, 4 encountered traces of oil, 2 yielded gas shows, and none penetrated the entire prospective sedimentary sequence to basement rocks. A favorable property report was produced by an independent petroleum consultant for the Company. The consultant integrated the results of the twelve drill holes with newly available 3-D seismic and geologic and drilling data for areas nearby the property which outlines discovery possibilities with specific hydrocarbon drilling target recommendations. This report is not NI 51-101 compliant. There is royalty due to the province on any future production from El Carmen. It is determined by an established formula, which caps royalties at 11% of gross proceeds.

**Agricultural fertilizer properties, Neuquen and Mendoza Provinces
(potash, phosphate and sulfur)**

After many years, Marifil is now out of the fertilized minerals exploration business. Going into 2021 the Company has either relinquished or let expire by statute all of its fertilizer property holds. This former package consisted of the K-2, Potash property, Neuquen Province, the K-3 & K-4, Potash properties, Mendoza Province, the Mechanquil, biogenic sulphur property, Mendoza Province, and the Milagros, phosphate property, Mendoza Province. The program's exit is free of liabilities.

RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Selected Annual Information

Year Ended	December 31, 2020 \$	December 31, 2019 \$	December 31, 2018 \$
Loss for the year, attributable to owners of the parent	(658,167)	(1,605,739)	(1,570,461)
Loss per share, basic and fully diluted	(0.01)	(0.03)	(0.04)
Total Assets	3,972,018	3,944,148	4,223,373
Total non-current financial liabilities	31,888	-	-

As the Company is still an exploration company, the Company has recorded no revenue during the last three fiscal years.

In 2020, the Company's activities were curtailed due to the Covid-19 pandemic as reflected in the reduced loss for 2020 as compared to 2019. Total assets increased slightly, and non-current financial liabilities increased due to the cash receipt and relevant liability recorded because of the CEBA loan.

In 2019, the Company remained active with the preparation of a 43-101 report for its San Roque property. From 2018 to 2019 total assets decreased by \$279,225 primarily due to the impairment of non-core exploration and evaluation assets of \$122,953 and a write-down of \$206,137 to VAT and GST receivable for amounts that were determined to be non-refundable.

In 2018, the Company closed two private placements and completed a drill program at its San Roque Gold Property. Total assets increased by \$1,346,009 primarily due to an increase in exploration and evaluation assets of \$1,033,586.

SUMMARY OF QUARTERLY RESULTS

The table below sets forth selected results of operations for the Company's eight most recently completed quarters (in Canadian dollars). All figures are in accordance with IFRS.

Three months ended	Quarter	Total revenues	Loss attributable to owners of the Company	Basic and fully diluted loss per share
December 30, 2020	Q4	-	\$ (150,069)	(0.00)
September 30, 2020	Q3	-	\$ (168,216)	(0.00)
June 30, 2020	Q2	-	\$ (208,407)	(0.00)
March 31, 2020	Q1	-	\$ (131,475)	(0.00)
December 31, 2019	Q4	-	\$ (508,345)	(0.01)
September 30, 2019	Q3	-	\$ (505,440)	(0.01)
June 30, 2019	Q2	-	\$ (299,124)	(0.01)
March 31, 2019	Q1	-	\$ (292,830)	(0.01)

During the fourth quarter ended December 31, 2020, loss remained consistent with the prior quarter with a minor decrease of \$18,147 due to a general reduction in activity due to the pandemic.

During the third quarter ended September 30, 2020, loss decreased by \$40,191 compared to the prior quarter primarily due to the following changes: recovery of other receivables of \$36,230, representing a 2018 ITC claim that was approved and received during the quarter, a \$36,579 decrease in management fees due to the accrual of \$15,000 milestone bonus and a \$20,367 increase in fees payable to the Executive Vice President in the second quarter of 2020 which did not recur for the third quarter, and a \$10,500 decrease in investor relation & shareholder info due to an adjustment of accruals in the second quarter of 2020; these decreases are offset by a \$18,960 increase in professional fees due to an under accrual of legal fees in the prior period and a \$30,547 increase in finance costs due to the buildup of interest-bearing overdue payables compared to the previous quarter.

During the second quarter ended June 30, 2020, loss increased by \$76,932, compared to the prior quarter primarily due to the following changes: a \$64,531 increase in management fees due to the accrual of a \$15,000 milestone bonus and a \$20,367 increase in fees payable to the Executive Vice President, and an increase of \$15,000 in fees payable to the Chief Executive Officer due to the reversal of a previously agreed upon decrease of fees which had taken effect in the first quarter of 2020, a \$21,000 increase to investor relations & shareholder info due to the adjustment of accruals; these increases are offset by a \$2,443 decrease in filing fees due to annual sustaining fees being charged in the prior quarter, and a \$2,097 decrease in office and miscellaneous due to reduced activity.

During the first quarter ended March 31, 2020, loss decreased by \$376,870, compared to the prior quarter primarily due to the following changes: a \$22,500 decrease in investor relations & shareholder info due the expiration of a contract with a previous IR consultant, a and \$38,249 decrease in professional fees due to \$25,500 in audit and tax services fees related to 2019 which were recorded in the prior quarter and decreased legal fees in the first quarter of 2020 due to reduced activity; also, the following charges occurred in the fourth quarter of 2019 and did not recur in the first quarter of 2020: impairment of exploration and evaluation assets of \$122,953, share-based compensation of \$26,209 relating to ongoing vesting of options, and a write-down of other receivables of \$169,907 which included all VAT amount due to an Argentinian subsidiary which became uncollectable.

During the fourth quarter ended December 31, 2019, loss increased by \$2,905 compared to the prior quarter primarily due to the following changes: increases to professional fees primarily due to 2019 audit and tax costs of \$25,500 accrued in the fourth quarter, an increase of \$122,953 in impairment of exploration and evaluation assets recorded in the fourth quarter, and an increase in write-down of other receivables of \$133,677 due to the \$169,907 in uncollectable VAT that was written of in the fourth quarter offset by \$36,230 recorded in the third quarter of 2019 to write off GST ITCs which were initially disallowed; these increases are offset by a decrease of \$240,568 in marketing due to fees incurred for a digital marketing campaign during the third quarter of 2019 that did not recur in the fourth and a \$46,991 decrease in finance costs due changes in interest arrangements on overdue payables.

During the third quarter ended September 30, 2019, loss increased by \$206,316 compared to the prior quarter primarily due to the following changes: an increase of \$214,986 in marketing due to fees incurred for a digital marketing campaign during the third quarter, an increase of \$36,230 to write-down of other receivables due to GST ITCs which were initially disallowed in the third quarter and no such write-down was recorded in the second quarter, a decrease of \$8,610 in consulting fees due to reduced fees from consultants in Argentina because of reduced activity in the third quarter compared to the second quarter, a decrease of \$4,885 in filing fees due to reduce capital activity in the third quarter of 2019, a \$23,958 decrease in professional fees due to an additional \$8,787 in audit fees for 2018 over and above those accrued and reduced accounting and legal costs out of Argentina because of reduced activity, and a decrease in finance costs of \$11,044 due to interest accrued on overdue payables being initially calculated in the second quarter of 2019 creating a higher interest accrual in the second quarter as compared to the third.

During the second quarter ended June 30, 2019, loss increased by \$6,294 compared to the prior quarter primarily due to the following changes: an increase of \$2,410 to foreign exchange loss due to the fluctuating Argentinian peso, an increase of \$12,202 to office and miscellaneous due to increased travel and insurance costs, and an increase of \$4,866 to general exploration for costs incurred in search of new mineral property acquisitions; these increases are offset by a decrease of \$11,399 in management fees in the second quarter due to increased fees in the first quarter relating to the San Roque drill program.

During the first quarter ended March 31, 2019, loss decreased by \$49,266 compared to the prior quarter primarily due to the following changes: a \$65,278 decrease to management fees in the first quarter of 2019 as compared to the increased management fees incurred in the fourth quarter of 2018 in relation to the San Roque drill program, and a decrease of \$38,287 in foreign exchange loss due to fluctuations in the Argentinian peso, offset by an increase of \$53,436 in marketing expenses for fees incurred in the first quarter of 2019 for the production of a promotional video to be released in the summer of 2019.

Results of Operations for the three months ended December 31, 2020 and 2019

Operating Expenses

Three months ended	December 31, 2020 \$	December 31, 2019 \$	Change \$	Change %
General and administrative:				
Consulting fees	57,000	55,573	1,427	3%
Directors fees	-	9,949	(9,949)	-100%
Filing fees	(11,923)	670	(12,593)	-1880%
Investor relations & shareholder info	10,500	22,500	(12,000)	-53%
Management fees	43,212	61,668	(18,456)	-30%
Marketing	-	225	(225)	-100%
Office and miscellaneous	25,921	26,572	(651)	-2%
Professional fees	23,609	42,876	(19,267)	-45%
Total general & administrative expense	148,319	220,033	(71,714)	-33%
General exploration	785	2,044	(1,259)	-62%
Accretion expense	1,281	-	1,281	100%
Foreign exchange loss	(6,636)	1,958	(8,594)	-439%
Finance costs	18,069	(29,614)	47,683	-161%
Impairment of exploration and evaluation assets	-	122,953	(122,953)	-100%
Administrative charge income	(725)	(1,109)	384	-35%
Income from government assistance	(9,393)	-	(9,393)	-100%
Share-based compensation	-	26,209	(26,209)	-100%
Write down of other receivables	-	169,907	(169,907)	-100%
Net loss	(151,700)	(512,381)	(360,681)	-70%
Net loss attributable to:				
Owners of the Company	(150,069)	(516,417)	(366,348)	-71%
Non-controlling interests	(1,631)	4,036	5,667	-140%
	(151,700)	(512,381)	(360,681)	-70%

During the three-month period ended December 31, 2020, the Company incurred a loss of \$151,700 compared to a loss of \$512,381 for the same period in 2019. The decrease in loss is primarily driven by the incurrence of one-time adjustments as a result of write downs of non-core exploration and evaluation assets due to a renewed focus on gold exploration and a write down of VAT and GST receivable in the prior period which did not recur in the current period. Changes from period to period can be explained primarily by the following factors:

- (a) Directors' fees decreased by \$9,949 in the current period as directors have elected to receive no fees until

further notice in an effort to reduce costs.

- (b) Filing fees decreased by \$12,593 primarily due to a \$13,154 credit of transfer agent fees being applied to Marifil's account due to a previous billing error and resulting overpayment.
- (c) Management fees decreased by \$18,456, due primarily to a \$15,000 management bonus accrued in the prior period which did not recur in the current period.
- (d) Professional fees decreased by \$19,267 due to reduced capital activity and reduced general activity in 2020 due to the pandemic.
- (e) Finance costs increased during the period by \$47,683 due to changes in interest accrued on amounts due to officers and consultants.
- (f) Impairment of exploration and evaluation assets decreased by \$122,983 due to a write-down in the previous period of the carrying value of the Las Aguilas, Carachi Pampa, El Carmen, and K (potash) properties as a result of management's assessment of these properties; no such write-down was assessed to be necessary for the current period.
- (g) Share-based compensation decreased by \$26,209 for the current period primarily due to compensation expense on performance shares of \$24,072 recorded in the prior period which did not recur in the current period.
- (h) Write-down of other receivables decreased by \$169,907 primarily due to a write-off in the previous period of accrued VAT receivables and GST receivable which management has determined is of doubtful collectability; no such write-down was assessed to be necessary for the current period.

Results of Operations for the years ended December 31, 2020 and 2019

Operating Expenses

Year ended	December 31, 2020 \$	December 31, 2019 \$	Change \$	Change %
General and administrative:				
Consulting fees	228,000	188,959	39,041	21%
Directors' fees	-	43,144	(43,144)	-100%
Filing fees	508	40,921	(40,413)	-99%
Investor relations & shareholder info	42,000	91,374	(49,374)	-54%
Management fees	250,037	275,207	(25,170)	-9%
Marketing	-	320,261	(320,261)	-100%
Office and miscellaneous	54,710	93,920	(39,210)	-42%
Professional fees	63,012	146,094	(83,082)	-57%
Total general & administrative expense	638,267	1,199,880	(561,613)	-47%
General exploration	785	11,252	(10,467)	-93%
Accretion expense	1,281	-	1,281	100%
Foreign exchange loss	(3,241)	(1,978)	(1,263)	64%
Finance costs	76,527	17,628	58,899	334%
Impairment of exploration and evaluation assets	-	122,953	(122,953)	-100%
Administrative charge income	(3,045)	(11,959)	8,914	-75%

Income from government assistance	(9,393)	-	(9,393)	-100%
Share-based compensation	-	74,533	(74,533)	-100%
Write down of other receivables	(36,230)	206,137	(242,367)	-118%
Net loss	664,951	1,618,446	(953,495)	-59%
Net loss attributable to:				
Owners of the Company	658,167	1,605,739	(947,572)	-59%
Non-controlling interests	6,784	12,707	(5,923)	-47%
	664,951	1,618,446	(953,495)	-59%

During the year ended December 31, 2020, the Company incurred a loss of \$664,951 compared to a loss of \$1,618,466 in 2019. The decrease in loss is primarily driven by the incurrence of one-time other expenses as a result of write downs from management assessment of the valuation of the Company's exploration and evaluation assets and other receivables in the prior year which did not recur in the current year. Changes from period to period can be explained primarily by the following factors:

- (a) Directors' fees were \$nil in the current year as directors have elected to receive no fees until further notice in an effort to reduce costs.
- (b) Filing fees decreased by \$40,413 due to reduced capital activity in the current year, and due to a further decrease in the current year from a \$13,154 credit applied to Marifil's account as a result of an overpayment of transfer agent fees made in a prior period.
- (c) Investor relations & shareholder info decreased by \$49,374 primarily due to a reduction of business activities in the current year, which led to a decrease in the need for investor relations services as compared to the prior period.
- (d) Marketing costs were \$nil in the current year in comparison to \$320,261 incurred in the prior year for the creation of a promotional video for the summer of 2019 and a digital marketing campaign.
- (e) Office and miscellaneous expense decreased by \$39,210 due to decreased activity due to the Covid-19 pandemic.
- (f) Professional fees decreased by \$83,082 due to reduction in activity in the current year. The prior year, by contrast, was very active with preparation and revisions to multiple agreements, warrant exercises, and increased accounting fees incurred in Argentina due to an accounting system transition.
- (g) Finance costs increased by \$58,899 due to changes in interest arrangements on overdue payables that were put into place in the fourth quarter of 2019 and was effective for the year ended December 31, 2020.
- (h) Share-based compensation was \$nil in the current year compared to \$74,533 in the prior year due to compensation expense on performance shares of \$24,072 and \$50,461 relating to the ongoing vesting of stock options.
- (i) Write-down of other receivables decreased by \$242,367 primarily due to a \$206,137 write-off in the previous year of accrued VAT receivables and GST receivable which management had determined was of doubtful collectability, and, in the current year, a reversal of \$36,230 in GST previously written off was refunded due to a successful appeal to tax authorities.

CAPITAL RESOURCES AND LIQUIDITY

The Company's cash increased by \$28,266 during the year ended December 31, 2020 to \$54,562. Management continues to monitor the capital markets for opportunities to raise additional funds.

As of December 31, 2020, the Company had no major long-term expenditure commitments outside of

consultancy obligations and mineral property option payments. The Company has approximately \$400,000 in aggregate annual expenditures and property maintenance fees and will have to raise capital or sell assets to meet these working capital requirements.

The Company has \$54,562 in cash to settle \$1,695,316 in current liabilities and working capital deficiency of \$1,584,671 at December 31, 2020 compared to a working capital deficiency of \$923,683 at December 31, 2019.

The Company's cash is highly liquid and held at major financial institutions.

Going concern

The Company has not generated revenue from operations. The Company incurred a net loss of \$664,951 for the year ended December 31, 2020 and as of that date the Company's accumulated deficit was \$19,437,272. The Company has a working capital deficiency of \$1,584,671. The Company's continuation as a going concern is contingent on the completion of financings to adequately cover the company's deficit. As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financial resources to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future. These factors comprise a material uncertainty which cast significant doubt about the Company's ability to continue as a going concern.

Increase (decrease) in cash for the years ended,	December 31, 2020		December 31, 2019	
Operating activities	\$	(9,809)	\$	(829,747)
Investing activities		(27,925)		(265,827)
Financing activities		66,000		875,750
Total change in cash		28,266		(219,824)
Cash, beginning of the period		26,296		246,120
Cash, end of the period	\$	54,562	\$	26,296

Operating activities

Cash used in operating activities primarily consist of general and administrative expenditures. The \$829,747 decrease in the use of cash for operating activities for the year ended December 31, 2020 is mainly attributable to decreased operating expenses as discussed above.

Investing activities

The \$27,925 cash used in investing activities for the nine months ended September 30, 2020 was attributable to expenditures on mineral properties.

Financing activities

Cash received from financing activities for the year ended December 31, 2020 was \$26,000 from loans from related parties and \$40,000 from the Canada Emergency Business Account (CEBA) loan, offered as part of the government of Canada's response to the Covid-19 global pandemic.

The Company will fund its ongoing operations and any capital commitments that it enters through the sale or joint venture agreement of its properties, through the issuance of common shares, or issuance of debt financing.

If the Company were to miss an annual property tax payment or periodic obligatory lodgment of and compliance with an investment plan with the government or fall out of compliance with the shareholder agreement with NovaGold, it could negatively affect the Company by jeopardizing the Company's rights and/or title to its properties or the Company's ownership percentage or rights per the NovaGold shareholder agreement.

OFF-BALANCE SHEET ARRANGEMENTS

Management contracts

The Company has a contract with Executive Vice President Richard Walters. Mr. Walters can earn up to \$188,000 in management bonuses should certain performance milestones be achieved. As of December 31, 2020 and 2019, cash bonuses of \$14,000 have been incurred and \$15,000 in bonus shares have been earned.

The Company has a contract with Robert Abenante. Mr. Abenante can earn up to 1,000,000 bonus shares over a period of two years should he reach certain performance milestones. As at December 31, 2020 and 2019, 550,000, were eligible for release upon having achieved certain milestones.

Property option payments

On May 16, 2018, the Company entered into an option agreement with Compania Minera Esperanza (Esperanza) which requires the following payments:

Option payments	US Dollars
May 8, 2018	\$ 20,000
November 16, 2018	20,000
May 16, 2019	20,000
November 16, 2019	20,000
May 16, 2020	40,000
November 16, 2020	40,000
May 16, 2021	100,000
November 16, 2021	100,000
May 16, 2022	250,000
November 16, 2022	250,000
May 16, 2023	1,000,000
	\$ 1,860,000

Thirty days before the end of every semester of this contract, the Company must notify Esperanza if it will choose to continue the contract. After this notice has been given, the Company is then obligated to make the corresponding payment. Once the Company complies with the total of the payments, the Company will have acquired 100% of the Carachi Pampa III lithium property.

Under terms of the Purchase Option, Marifil has made the first installment of US\$20,000. A clean title certificate has been delivered for Carachi Pampa IV, but as of August 15, 2018 Marifil is waiting on Minera Esperanza to deliver an unencumbered title certificate for Carachi Pampa III, which has been stalled in the provincial Mines

Department processing system. Failing that clean title delivery, half of the initial payment will be returned to Marifil and all future payments including the purchase price will be reduced by 50%. During the year ended December 31, 2019, the Company determined that the above option agreement coming to fruition may be doubtful and, therefore, had recorded an impairment of \$45,224 to the Carachi Pampa property.

TRANSACTIONS WITH RELATED PARTIES

The financial statements of the Company's subsidiaries are included in the consolidated financial statements. The Company's Argentine subsidiaries are Marifil S.A., which is wholly owned, and Minas San Roque S.A ("MSR"), in which the Company has a 51% ownership. The Company's wholly owned Canadian subsidiaries are Prosperity Growth Ltd., Synergistic Resources Ltd., and Emirates Growth Ltd.

The remuneration of directors and other members of key management personnel during the years ended December 31, 2020 and 2019 were as follows:

	For the year ended December 31,	
	2020	2019
Management fees	\$ 250,037	\$ 275,207
Share-based payments	-	72,396
Director fees	-	43,144
Consulting fees	60,000	45,000
	\$ 310,037	\$ 435,747

These transactions are recorded at the exchange amount, which is the amount agreed to by the transacting parties.

For the years ended December 31, 2020 and 2019, key management personnel were not paid any post-employment benefits, termination benefits or any other long-term benefits.

Management fees are comprised of the following:

	For the year ended December 31,	
	2020	2019
1053345 BC Ltd (controlled Robert Abenante, President and CEO)	\$ 120,000	\$ 120,000
R.R. Walters Consulting (controlled by Richard Walters, Executive Vice President and Director)	40,395	50,168
ACM Management Inc. (controlled by Alex McAulay, CFO)	72,000	72,000
Daniel Buffone, Director	17,642	33,039
	\$ 250,037	\$ 275,207

Director fees are comprised of the following:

	For the year ended December 31,	
	2020	2019

John Hite	\$	-	\$	13,274
Greg Burnett		-		3,322
Michael Sweatman		-		13,274
John Pearson		-		13,274
	\$	-	\$	43,144

Pursuant to a new consulting agreement effective April 1, 2019, Marifil agreed to pay Carob Management Ltd., a corporation controlled by Greg Burnett, a consulting fee of \$5,000 per month. For the year ended December 31, 2020, consulting fees to Carob Management Ltd. totaled \$60,000 (2019: \$45,000).

As at December 31, 2020 and December 31, 2019, the assets and liabilities of the Company include the following amounts receivable and payable from directors and officers:

		2020		2019
Advances:				
Daniel Buffone ⁽¹⁾	\$	-	\$	1,089
Trade payables and other liabilities:				
1053345 BC Ltd., management fees and interest	\$	331,973	\$	196,050
Robert Abenante, expenses ⁽²⁾		64,005		46,833
1022698 BC Ltd., rent ⁽²⁾		4,000		4,000
Alex McAulay, expenses ⁽²⁾		3,429		3,429
ACM Management, management fees and interest		103,601		27,143
R.R. Walters Consulting, management fees and interest		129,709		89,062
Daniel Buffone, management fees ⁽²⁾		47,438		16,519
Carob Management, consulting fees and interest		113,653		46,233
John Pearson, directors' fees ⁽²⁾		16,931		17,297
Greg Burnett, directors' fees ⁽²⁾		8,322		8,502
Michael Sweatman, directors' fees ⁽²⁾		21,482		21,945
John Hite, directors' fees ⁽²⁾		25,397		25,944
	\$	869,940	\$	502,957

⁽¹⁾ Amount consists of expense advances, is non-interest bearing, unsecured and due on demand.

⁽²⁾ These balances are non-interest bearing, unsecured and payable on demand.

During the year ended December 31, 2020, the Company recorded finance costs of \$34,090 (2019: \$3,107) of accrued interest on accrued fees due to 1053345 BC Ltd., ACM Management, R.R. Walters Consulting, and Carob Management. Interest is accrued at 10% per annum compounded monthly.

As of December 31, 2020, the carrying value of short-term loans payable to John Hite and Richard Walters including accrued interest was \$55,088 and \$3,185, respectively (December 31, 2019: \$51,553 and \$3,254, respectively).

On May 22, 2020, the Company received a total of \$13,000 cash in exchange for a promissory note with Greg Burnett. The note carries an interest rate of 12%, accrued monthly, with a maturity date of April 30, 2021. The note can be settled in either cash or common shares of the Company. If settled in shares, the terms will be agreed upon between the Company and Greg Burnett. If the Company does not fully repay the note on maturity the

Company shall pay a penalty of 10% of the principal of the note. During the year ended year ended December 31, 2020, 2020, the Company recorded finance costs of \$1,046 (2019: \$nil) in connection with interest accrued under the note. As at December 31, 2020, included in loans payable to related parties is the carrying value of \$14,046 (December 31, 2019: \$nil).

On May 22, 2020, the Company received a total of \$13,000 cash in exchange for a promissory note with 1053345 BC Ltd. The note carries and interest rate of 12%, accrued monthly, with a maturity date of April 30, 2021. The note can be settled in either cash or common shares of the Company. If settled in shares, the terms will be agreed upon between the Company and 1053345 BC LTD. If the Company does not fully repay the note on maturity the Company shall pay a penalty of 10% of the principal of the note. During the year ended December 31, 2020, 2020, the Company recorded finance costs of \$1,046 (2019: \$nil) in connection with interest accrued under the note. As at year ended December 31, 2020, included in loans payable to related parties is the carrying value of \$14,046 (December 31, 2019: \$nil).

On August 10, 2020, the Company accepted Michael Sweatman’s resignation from the board of directors, gives thanks to Mr. Sweatman for his service, and wishes him all the best in his future endeavors.

During the year ended December 31, 2020, the Company recorded finance costs of \$3,737 (2019: \$2,399) in connection with interest accrued under a loan with John Hite.

During the year ended December 31, 2020, \$nil and \$8,647 (December 31, 2019: \$40,215 and \$27,120) in management fees payable to R.R. Walters Consulting and Daniel Buffone respectively were capitalized to mineral properties.

On January 1, 2019, the Company entered into a lease agreement with 1022698 BC Ltd., a company controlled by Robert Abenante. The terms of the lease are \$2,000 per month on a month to month basis and may be terminated at the Company’s option with six months’ notice. As of September 30, 2019, this agreement was terminated by the lessor. For the year ended December 31, 2020, rent expense incurred under this agreement was \$nil (2019: \$24,000).

PROPOSED TRANSACTIONS

In the normal course of business, the Company evaluates property acquisition transactions and, in some cases, makes proposals to acquire such properties. These proposals, which are usually subject to board, regulatory and sometimes shareholder approvals, may involve future payments, share issuances, and property work commitments. These future obligations are usually contingent in nature and generally the Company is only required to incur the obligation if it wishes to continue with the transaction. As of the date of this report, the Company has possible transactions that it is examining. Management is uncertain whether any of these proposals will ultimately be completed.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During the year ended December 31, 2020 and 2019, our company incurred the following expenditures:

	2020		2019
Capitalized acquisition costs	\$ -	\$	23,811
Capitalized exploration costs	27,925		223,726

Operating expenses	638,267	1,199,880
Impairment of exploration and evaluation assets	-	122,953
	\$ 666,192	\$ 1,570,370

Please refer to Note 6 of our consolidated financial statements for the years ended December 31, 2020 and 2019 for a detailed description of the capitalized costs presented on a property by property basis.

OUTSTANDING SHARE DATA

As at April 30, 2021, the Company had 101,075,432 common shares outstanding, 550,000 stock options outstanding and 41,729,680 warrants outstanding.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Financial instrument risk

The Company is exposed, through its operations, to the following financial risks:

- a) Market risk
- b) Credit risk
- c) Liquidity risk

The Company is exposed to risks that arise from its financial instruments. This note describes the Company's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

General objectives, policies, and processes:

The Board of Directors has overall responsibility for the determination of the Company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Company's finance function. The Board of Directors receive quarterly reports from the Company's Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous reported periods unless otherwise stated in the note. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility. Further details regarding these policies are set out below.

- a) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as foreign currency exchange, interest rates, and commodity and equity price risk.

- (i) Foreign currency risk:

Foreign currency risk is the risk that a variation in exchange rates between the Canadian dollar and Argentine peso as well as the Canadian dollar and the U.S. dollar will affect the Company's operations and financial results. The operating results and financial position of the Company are reported in Canadian dollars. The Company's operations are in Canada and Argentina.

Exposure to foreign currency risk increased overall during the period due to an increase in trade payables denominated in U.S. dollars, this is partially offset by a reduction in cash held in both foreign currencies.

As at December 31, 2020, if the Canadian dollar had weakened 5% against the U.S. dollar and 20% against the volatile Argentine peso, with all other variables held constant, comprehensive loss would have been \$24,677 lower. Conversely, if the Canadian dollar had strengthened 5% against the U.S. dollar so, with all other variables held constant, comprehensive loss would have been \$24,677 higher.

(ii) Interest rate risk:

Interest rate risk is the risk that future cash flows will fluctuate because of changes in market interest rates. The Company does not have any variable rate debt. The interest earned on cash and cash equivalents is insignificant and the Company does not rely on interest to fund its operations. As a result, the Company is not exposed to significant interest rate risk.

(iii) Commodity price risk:

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity price movements to determine the appropriate course of action to be taken by the Company.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and other receivables. The Company believes it has no significant credit risk related to its cash as the majority of its cash is held at a large Canadian bank. The Company's other receivables consist mainly of input tax credits receivable from the Government of Canada and the Government of Argentina and, as a result, the Company does not believe it is subject to significant credit risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. As at December 31, 2020, the Company had cash and cash equivalents of \$54,562 to settle current liabilities of \$1,695,316. The Company will require additional financings to meet its short-term financial obligations.

All the Company's financial liabilities as at December 31, 2020 were due on demand, with the exception of the CEBA loan payable. All the Company's financial liabilities as at December 31, 2019 were due on demand.

Basis of fair value

The Company's financial instruments consist of cash, other receivables, trade payables and other liabilities, and

loans payable to related parties. The fair value of the Company's other receivables, trade payables and other liabilities, and loans payable to related parties approximate the carrying value, which is the amount on the consolidated statements of financial position due to their short-term maturities or ability of prompt liquidation. The Company's cash, is measured at fair value under the fair market hierarchy, based on level one quoted prices in active markets for identical assets.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company classifies cash and cash equivalents as level 1 financial instruments. As at December 31, 2020, the Company had \$54,562 in cash and cash equivalents.

CRITICAL ACCOUNTING ESTIMATES

The Company is a venture issuer; therefore, this section is not applicable. For more information on critical accounting estimates refer to Note 4 in the audited financial statements for the years ended December 31, 2020 and 2019.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the years ended December 31, 2020 and 2019 and have been consistently followed in the preparation of the audited financial statements for the years ended December 31, 2020 and 2019.

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS, AND RECENT ACCOUNTING PRONOUNCEMENTS

Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any new standards and determined that there are no standards that are relevant to the Company.

OTHER INFORMATION

Other information can be found at the following websites www.sedar.com or www.marifilmines.com.

This Management Discussion and Analysis has been reviewed and approved by Richard Walters, Executive Vice President and he acts as the Company's Qualified Persons responsible for preparing and approving all technical information disclosed, as required by National Instrument 43-101.

SUBSEQUENT EVENTS

On March 16, 2021, the Company applied for an increase to its CEBA loan payable and received an additional \$20,000 bringing the total face value of the loan to \$60,000.

On March 17, 2021, the Company closed a private placement and issued an aggregate of 40,000,000 units at a price of \$0.05 per unit for gross proceeds of \$2,000,000. Each Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each Warrant is exercisable into one additional Share at a price of \$0.055 per Share for a period of three years from the closing date.

On March 18, 2021, the Company issued 1,000,000 common shares pursuant to a warrant exercise for proceeds of \$70,000.