

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND NINE MONTHS ENDED JUNE 30, 2022**

Introduction

The present management's discussion and analysis ("MD&A") of results of operations and financial condition of Orvana Minerals Corp. and its consolidated subsidiaries ("Orvana" or the "Company") describes the operating and financial results of Orvana for the three and nine months ended June 30, 2022 ("Q3 FY2022 or the third quarter of fiscal 2022").

This MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three and nine months ended June 30, 2022 and related notes thereto (the "Q3 Financials"). The Q3 Financials are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

All currency amounts (except per unit amounts), unless otherwise stated, are in United States dollars ("US dollars"). Gold ("Au") and Silver ("Ag") production and sales are in fine troy ounces ("ounces" or "oz"), while Copper ("Cu") is in pounds ("lbs"). Information presented in this MD&A is as of August 10, 2022, unless otherwise stated.

GEO, EBITDA, cash flows provided by operating activities before non-cash working capital, COC and AISC are non-IFRS performance measures. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use this information to evaluate the Company's performance including the Company's ability to generate cash flows from its mining operations. Accordingly, it is intended to provide additional information and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. For further information and detailed reconciliations, please see the "Other Information - Non-IFRS Measures" section of this MD&A.

Orvana is an Ontario registered company and its common shares ("Common Shares") are listed on the Toronto Stock Exchange (TSX) under the symbol **ORV**.

A cautionary note regarding forward-looking statements follows this MD&A.

Company Overview

Orvana is a gold-copper-silver producer with a singular organic growth strategy. Orvana's properties consist of:

- (i) El Valle and Carlés mines and the El Valle processing plant (collectively, "El Valle"), producer of copper concentrate and doré. El Valle is located in Asturias, Northern Spain, and is managed by its subsidiary Orovalle Minerals, S.L. ("Orovalle"), that, in addition to El Valle, owns certain mineral rights located in the region of Asturias;
- (ii) Don Mario Operation ("Don Mario"), located in San Jose de Chiquitos, Southeastern Bolivia, consisting of 10 contiguous mineral concessions covering approximately 53,325 ha and the processing plant, currently in care and maintenance. Don Mario is managed by the Company's subsidiary Empresa Minera Paitití, S.A. ("EMIPA"); and
- (iii) Taguas Property ("Taguas"), comprised of 15 mining concessions for a total of 3,273.87 ha, located on the eastern flank of the Andes Mountain range in the Province of San Juan in northern Argentina. Taguas is managed by the Company's subsidiary Orvana Argentina, S.A. ("Orvana Argentina").

Orvana's strategic focus is on initiatives and opportunities that deliver long-term shareholder value. In that regard, Orvana is currently working to optimize its properties, reduce its unitary operating costs and realize growth in its future production base through exploration within, and in proximity, to its properties. In this regard Orvana is developing long term operational strategies for Orovalle in Spain, EMIPA in Bolivia and Taguas in Argentina.

COVID-19

In March 2020 the World Health Organization declared the COVID-19 outbreak to be a global pandemic. The situation is dynamic with countries around the world responding in different ways to address the outbreak. The extent of the effect of the COVID-19 pandemic on the Company's business activities is undetermined, given the uncertainties with respect to future developments, including without limitation: (i) duration, severity and scope of the COVID-19 pandemic; (ii) the effect of the COVID-19 situation on the future availability of mining supply and services that support operations; (iii) the effect of the COVID-19 situation could have on the Company's future operations and financial condition; and (iv) the necessary government responses to limiting the spread of COVID-19.

The Company has made efforts to safeguard the health of our employees, while continuing to operate safely and responsibly maintain employment and economic activity. The Company continues to implement comprehensive and proactive measures to respond to the COVID-19 pandemic; and continues to work closely with local governments and authorities to ensure proper protocols are followed during the ongoing COVID-19 crisis.

Consolidated Financial Results and Operating Highlights:

- EBITDA of \$1.7 million for the three months ended June 30, 2022 and \$4.1 million for the nine months ended June 30, 2022, compared with EBITDA of \$ 6 million for the three months ended June 30, 2021, and \$16 million for the nine months ended June 30, 2022.
- Operating cash flow of \$0.9 million for the three months ended June 30, 2022 and \$nil million for the nine months ended June 30, 2022, compared with operating cash flow of \$ 9.1 million for the three months ended June 30, 2021, and \$13.6 million for the nine months ended June 30, 2021.
- Free cash flow deficits of \$8.3 million for the three months ended June 30, 2022 and \$13.7 million for the nine months ended June 30, 2022, compared with free cash flow of \$ 2.8 million for the three months ended June 30, 2021, and \$7.4 million for the nine months ended June 30, 2021.
- Net loss of \$1.8 million for the three months ended June 30, 2022 and net loss of \$7.3 million for the nine months ended June 30, 2022, compared with net loss of \$0.9 million for the three months ended June 30, 2021 and net income of \$0.2 million for the nine months ended June 30, 2021.
- Capital expenditures of \$7.1 million for the three months ended June 30, 2022 and \$16.1 million for the nine months ended June 30, 2022, compared with capital expenditures of \$4.8 million for the three months ended June 30, 2021 and \$11.1 million for the nine months ended June 30, 2021.
- **Orovalle:**
 - Q3 FY2022 production of 15,798 gold equivalent ounces ounces (12,354 gold ounces, 1.3 million copper pounds and 38,082 silver ounces), a 49% increase from previous quarter.
 - 12,354 gold ounces produced, a 48% increase from Q2 FY2022. On track to meet fiscal year 2022 guidance of 44,000 - 46,000 Oz.
 - 1.3 million copper pounds produced, a 62% increase from Q2 FY2022. On track to meet fiscal year 2022 guidance of 4.8 – 5.2 million pounds.

- 6,589 m of Infill and Brownfield Drilling.
- 1,337 m of Greenfield Drilling.
- 22.16 g/t Au over 6.05 meters intercept in Ortosa West, part of the Ortosa-Godán Project.
- **EMIPA:**
 - Don Mario continues in care and maintenance (“C&M”), Critical areas of the C&M program are: site security, environmental control, and maintenance of power generators, process plant, mine equipment and camp facilities.
 - The Oxides Stockpile Project (“OSP”), consisting of a plant expansion to treat ore stockpiled from previous years of mining activity, continues in progress. The Company expects to complete final OSP engineering plans, and final CAPEX estimate, by September 2022; as well as project economics and risk assessment. Conditional upon being satisfied of the project economics, risk assessment results and obtaining sufficient funding, EMIPA expects construction to start in early calendar 2023.
 - The Company is evaluating the results of the 82 holes drilled in the tailings accumulated in the Don Mario Tailings Storage Facility. Scoping studies for this Tailings Reprocessing Project (“TRP”) continue in progress.
 - Exploration activities continue in the Don Mario Complex. During the third quarter of fiscal 2022, activities were focused on the evaluation of Las Tojas and Oscar sectors where mapping, geochemical and sampling activities had been carried out during the first half of the year. The Company is currently planning trenching and additional geochemistry and geophysics lines to continue exploring those two sectors.
- **Orvana Argentina:**
 - The Company started a drilling campaign in late December 2021 to upgrade the mineral resource from the inferred category, and to realize its oxide mineral tonnage upside potential.
 - Phase I consisted of 6,482.6 meters in 41 diamond drill holes (DDH’s), with over 4,900 assay samples. The main goal of the program was to upgrade Cerros Taguas Oxides Sector to Measured & Indicated Resource categories, as those terms are defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) while moderately expanding the ore tonnage previously reported in the Company’s NI 43-101 compliant Taguas preliminary economic assessment report dated December 29, 2021 and filed on SEDAR on February 11, 2022 (the “Taguas 2021 PEA”). The second goal was to incorporate satellite Cerro Campamento Sector into the Oxides scope, going forward.
 - Mineralization encountered in all 41 holes.
 - Grades generally equaling-improving average previous resource grades included in the Taguas 2021 PEA.
 - Based on the information obtained, the Company is currently working on the resource re-modeling. Completion expected by the last quarter of fiscal 2022.

Consolidated Results

	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Operating Performance					
<i>Gold</i>					
Grade (g/t)	2.39	1.94	2.60	2.22	2.51
Recovery (%)	91.2	91.5	91.5	91.3	92.1
Production (oz)	12,354	8,341	13,879	32,425	38,791
Sales (oz)	8,980	9,199	14,520	29,619	35,128
Average realized price / oz	\$1,881	\$1,868	\$1,798	\$1,844	\$1,828
<i>Copper</i>					
Grade (%)	0.40	0.31	0.48	0.39	0.53
Recovery (%)	82.5	80.7	84.6	82.6	82.7
Production ('000 lbs)	1,293	797	1,630	3,540	5,029
Sales ('000 lbs)	1,120	888	1,784	3,550	4,905
Average realized price / lb	\$4.40	\$4.49	\$4.36	\$4.42	\$3.82
Financial Performance (in 000's, except per share amounts)					
Revenue	\$18,450	\$21,872	\$32,800	\$66,955	\$80,293
Mining costs	\$17,873	\$23,176	\$22,516	\$60,787	\$55,053
Gross margin	(\$3,297)	(\$5,052)	\$5,141	(\$5,450)	\$13,150
Net income (loss)	(\$1,816)	(\$5,840)	(\$877)	(\$7,251)	\$224
Net income (loss) per share (basic/diluted)	(\$0.01)	(\$0.04)	(\$0.01)	(\$0.05)	\$0.00
EBITDA ⁽¹⁾	\$1,674	(\$2,740)	\$5,985	\$4,082	\$15,950
Operating cash flows before non-cash working capital changes	(\$1,161)	(\$1,546)	\$7,600	\$2,394	\$18,540
Operating cash flows	\$859	\$153	\$9,097	(\$4)	\$13,590
Free cash flow ⁽¹⁾	(\$8,264)	(\$6,257)	\$2,802	(\$13,676)	\$7,440
Ending cash and cash equivalents	\$6,060	\$13,583	\$15,936	\$6,060	\$15,936
Capital expenditures ⁽²⁾	\$7,103	\$4,711	\$4,798	\$16,070	\$11,100
Cash operating costs (by-product) (\$/oz) gold ⁽¹⁾⁽³⁾	\$1,754	\$2,099	\$1,079	\$1,655	\$1,097
All-in sustaining costs (by-product) (\$/oz) gold ⁽¹⁾⁽²⁾⁽³⁾	\$1,956	\$2,559	\$1,528	\$1,996	\$1,566
All-in costs (by-product) (\$/oz) gold ⁽¹⁾⁽²⁾⁽³⁾	\$2,282	\$2,883	\$1,661	\$2,245	\$1,684

(1) Earnings before interest, taxes, depreciation and amortization ("EBITDA"), free cash flow, cash operating costs, all-in sustaining costs and all-in costs are non-IFRS performance measures. For further information and a detailed reconciliation of these measures not presented elsewhere, please see the "Other Information - Non-IFRS Measures" section of this MD&A.

(2) These amounts are presented in the consolidated cash flows in the Q2 Financials on a cash basis. Each reported period excludes capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reporting period. See the "Cash Flows, Commitments and Liquidity - Capital Expenditures" section of this MD&A. The calculation of all-in sustaining costs and all-in costs includes capex incurred (paid and unpaid) during the period.

(3) Unitary costs do not include one-time costs nor one-time severance charges.

Operational Results

- Production of 12,354 Au oz and 1.3 million Cu lbs during Q3 FY2022, resulted in decreases, versus Q3 FY2021, of 11% and 21%, respectively.
- Production of 15,798 Gold Equivalent Ounces (GEO) in Q3 FY2022 was lower than 18,471 GEO in Q3 FY2021.
- Sales of 8,980 Au oz and 1.1 million Cu lbs during Q3 FY2022, were a decrease of 38% and a decrease of 37%, compared to Q3 FY2021, respectively.
- Production of 12,354 Au oz and 1.3 million Cu lbs during Q3 FY2022, resulted in increases, versus Q2 FY2022, of 48% and 62%, respectively.
- Production of 15,798 GEO during Q3 FY2022, compared with 10,595 GEO in Q2 FY2022.
- Sales of 8,980 Au oz and 1.1 million Cu lbs of copper in Q3 FY2022, were a decrease of 2% and an increase of 26%, compared to Q2 FY2022, respectively.

- Au and Cu production increased by 48% and 62% respectively, compared with the second quarter of fiscal 2022 (“Q2 FY2022”), driven primarily by 21% higher tonnes milled, and head grade increases of 23% in Au and 32% in Cu.
- Mechanical advance reached 2,018 meters in Q3 FY2022, a 25% increase compared to Q2 FY2022.
- Oxides ore constituted 39% of the processed throughput blend in Q3 FY2022; a decrease of 9% compared with Q2 FY2022.

Financial Results

- At June 30, 2022, consolidated cash and cash equivalents were \$6.1 million, a decrease of \$5.3 million from September 30, 2021.
- Revenue of \$18.5 million for the third quarter of fiscal 2022, or 44% lower, compared with \$32.8 million for the third quarter of fiscal 2021.
- Mining costs of \$17.9 million for the third quarter of fiscal 2022, or 20% lower, compared with \$22.5 million for the third quarter of fiscal 2021 primarily due to lower products volume sold and the revaluation of the Euro against the US dollar.
- Net loss for the third quarter of fiscal 2022 of \$1.8 million compared with net loss of \$0.9 million for the third quarter of fiscal 2021.
- EBITDA for the third quarter of fiscal 2022 of \$1.7 million compared with \$6 million for the third quarter of fiscal 2021.
- Cash flows provided by operating activities of \$0.9 million for the third quarter of fiscal 2022, compared with \$9.1 million for the third quarter of fiscal 2021 and cash flows required by operating activities before changes in non-cash working capital of \$1.2 million in the third quarter of fiscal 2022, compared with \$7.6 million provided for the third quarter of fiscal 2021.
- Capital expenditures of \$7.1 million for the third quarter of fiscal 2022 compared with \$4.8 million for the third quarter of fiscal 2021.
- COC and AISC on a by-product basis (net of copper and silver by-product revenue) per ounce of gold sold for the third quarter of fiscal 2022 of \$1,754 and \$1,956, respectively, compared with COC and AISC (by-product) of \$1,079 and \$1,528, respectively, for the third quarter of fiscal 2021. The increase in COC and AISC was primarily due to lower gold production, higher mining costs, and lower copper and silver by-product credits.
- Revenue of \$67 million for the first nine months of fiscal 2022 compared with \$80.3 million for the first nine months of fiscal 2021.
- Mining costs of \$60.8 million for the first nine months of fiscal 2022 compared with \$55.1 million for the first nine months of fiscal 2021.
- Net loss for the first nine months of fiscal 2022 of \$7.3 million compared with net income of \$0.2 million for the first nine months of fiscal 2021.
- EBITDA for the first nine months of fiscal 2022 of \$4.1 million compared with \$16 million for the first nine months of fiscal 2021.
- Cash flows from operating activities of \$nil million in the first nine months of fiscal 2022, compared with \$13.6 million provided during the first nine months of fiscal 2021 and cash flows provided by operating activities before changes in non-cash working capital of \$2.4 million in the first nine months of fiscal 2022, compared with \$18.5 million in the first nine months of fiscal 2021.
- Capital expenditures of \$16.1 million for the first nine months of fiscal 2022 compared with \$11.1 million in the first nine months of fiscal 2021.
- COC and AISC on a by-product basis (net of copper and silver by-product revenue from El Valle and Don Mario) per ounce of gold sold in the third quarter of fiscal 2022 of \$1,754 and \$1,956,

respectively, compared with COC and AISC (by-product) of \$2,099 and \$2,559, respectively, for the second quarter of fiscal 2022.

Growth Initiatives Highlights`

Orovalle

- FY2022 brownfield and infill drilling programs at El Valle are expected to continue strong conversion of resources into reserves plus adding new resources to the overall El Valle mine life. A total of 6,589 meters were drilled in Q3 FY2022 at El Valle, 3,197 infill meters and 3,392 brownfield meters.
- Orovalle has a large regional exploration footprint of 45,164 ha, which includes concessions and investigation permits, few of which are still in progress. Strategic near-term regional targets are and activities in progress are:
 - **Ortosa-Godan**, part of the “Río Narcea Gold Belt”, and close to the Company’s Carles Mine. An exploration drilling program started in August 2021 in order to define skarn ore potential and check oxide mineralization related to N40°E structures. 1,337 greenfield meters were drilled in Ortosa-Godan, part of the “Río Narcea Gold Belt”, and close to the Company’s Carles Mine. Exploration drilling program in Ortosa-Godán continues progressing in order to define mineralization related to N40°E structures. See the Company’s news releases dated July 18, 2022 and April 15, 2022 for detailed drilling results.
 - **Lidia**, gold porphyry project located in the Navelgas Gold Belt, 20 km from El Valle mine. The drilling program started in fiscal 2021 with 1,017 meters drilled. The second phase started in December 2021, focused on defining the continuity of Au mineralization into the intrusive. Four drill holes, totaling 1,405 meters were drilled in the first half of FY2022, confirming the presence of gold in the granodiorite, averaging 0.53 g/t Au over 196.50 meters (DDH 22LIDIA04). See the Company’s news release dated April 15, 2022 for detailed information. The Company expects to continue the program in Lidia in September 2022.
 - **Other Investigation Permits:**
 - Palmira (Oscos Gold Belt): compilation of previous exploration information is in progress.
 - Quintana (Río Narcea Gold Belt): soil sampling completed.
 - Navelgas Gold Belt: geophysics studies are in progress.

EMIPA

- Mapping, geochemical and geophysical sampling were carried out, during Q1 FY2022, in two previously unexplored areas in Las Tojas and Oscar sectors. Resulting data has been processed and analyzed, and the Company is planning trenching & additional geochemistry/geophysics lines in both sectors.

Orvana Argentina

- The Company is currently working on the resource re-modeling based on the information obtained in the first phase of the infill drilling campaign. Completion is expected by August 2022, and, based on the results obtained, the Company will define next steps.

Outlook

The Company continues to implement comprehensive and proactive measures to respond to the COVID-19 pandemic; and continues to work closely with local governments and authorities to ensure that proper protocols are followed during the ongoing COVID-19 crisis. The overall impact on each of our sites will depend on the progression of the pandemic and measures in place for preventing transmission.

The Company continues to pursue its objectives of optimizing production, lowering unitary cash costs, maximizing free cash flow, and extending the life-of-mine of its operations under a long term operational strategy. Main objectives per unit are:

- **Orovalle:** Stable cash flow generation based on a production range around 60,000 GEO. Continue exploration drive to keep replenishing, and expanding, the resource base. Renew 5-Year Life of Mine Plan, as has been the case for the last seven years.
- **Orvana Argentina:** Start Pre-Feasibility baseline studies, and, subject to cash flow availability, complete infill and expansion drilling program.
- **EMIPA:** Conditional upon being satisfied of the project economics, risk assessment results and obtaining sufficient funding by December 2022, EMIPA expects construction to start in early calendar 2023. OSP is projected to operate for 35 months, starting after a 12-month construction period. TRP infill drilling program was completed and a brand new mineral resource estimate will be ready by September 2022. A multi-year comprehensive exploration program, started in fiscal 2021, is currently in progress.

Guidance

The following table sets out Orovalle's year to date 2022 results and fiscal 2022 production and cost guidance:

Orovalle	YTD FY 2022 Actual	FY 2022 Guidance ⁽¹⁾
Metal Production		
Gold (oz)	32,425	44,000 – 46,000
Copper (million lbs)	3.5	4.8 – 5.2
Capital Expenditures	\$8,109	\$15,000 – \$17,500
Cash operating costs (by-product) (\$/oz) gold ⁽¹⁾	\$1,558	\$1,300 – \$1,400
All-in sustaining costs (by-product) (\$/oz) gold ⁽¹⁾	\$1,898	\$1,700 – \$1,850

(1) Fiscal 2022 guidance assumptions for COC and AISC include by-product commodity prices of \$4.50 per pound of copper and an average Euro to US Dollar exchange of 1.10, during the second half of the year.

On track to meet fiscal 2022 guidance.

Overall Performance

The key factors affecting Orvana's operating and financial performance are tonnages mined and treated, metal grade and recoveries, quantities of metals produced and sold, realized metals prices, operating costs (including labour, energy, materials & supplies and services), mine development and other capital expenditures, maintenance and care costs, foreign exchange rates and tax rates.

Third Quarter Ended June 30, 2022 Compared with Third Quarter Ended June 30, 2021

The Company recorded a net loss of \$1.8 million or \$0.01 per share for the third quarter of fiscal 2022 compared with \$0.9 million of net loss of \$0.01 per share for the third quarter of fiscal 2021. The Company's net income was impacted significantly by the following factors:

- Revenue for the third quarter of fiscal 2022 decreased by \$14.3 million or 44% to \$18.5 million from sales of 8,980 ounces of gold and 1.1 million pounds of copper from Orovalle, compared with revenue of \$32.8 million from sales of 14,520 ounces of gold and 1.8 million pounds of copper in the third quarter of fiscal 2021. The decrease in revenue was primarily due to lower gold and copper sales volume, slightly off-set by higher gold price.
- Mining costs were \$17.9 million or \$4.6 million lower for the third quarter of fiscal 2022 compared with \$22.5 million for the third quarter of fiscal 2021, primarily due to lower gold sales volume.
- Depreciation decreased by \$1.2 million to \$3.9 million for the third quarter of fiscal 2022 compared with \$5.1 million for the third quarter of fiscal 2021, primarily due to allocation of depreciation to unsold product inventory at the end of the quarter.

- Gross margin decreased by \$8.4 million to negative \$3.3 million for the third quarter of fiscal 2022, compared with positive \$5.1 for the third quarter of fiscal 2021.

Total consolidated COC (by-product) of \$1,754 per ounce of gold sold in the third quarter of fiscal 2022 were \$675 or 63% higher than the third quarter of fiscal 2021. Total AISC (by-product) of \$1,956 per ounce of gold sold in the third quarter of fiscal 2022 were \$428 or 28% higher than the third quarter of fiscal 2021. Lower gold sales volume and lower copper and silver by-product credits negatively impacted both COC and AISC.

First nine months Ended June 30, 2022 Compared with First nine months ended June 30, 2021

The Company recorded a net loss of \$7.3 million or \$0.05 per share for the first nine months of fiscal 2022 compared with \$0.2 million of net income or \$0.00 per share for the first nine months of fiscal 2021. The Company's net income was impacted significantly by the following factors:

- Revenue for the first nine months of fiscal 2022 decreased by \$13.3 million or 17% to \$67 million on sales of 29,619 ounces of gold and 3.6 million pounds of copper from Orovalle, compared with revenue of \$80.3 million on sales of 35,128 ounces of gold and 5 million pounds of copper.
- Mining costs were 60.8 million or \$5.7 million higher for the first nine months of fiscal 2022 compared with \$55.1 million for the first nine months of fiscal 2021.
- Depreciation decreased by \$0.5 million to \$11.6 million for the first nine months of fiscal 2022 compared with \$12.1 million for the first nine months of fiscal 2021.
- Gross margin decreased by \$18.7 million to negative \$5.5 million for the first nine months of fiscal 2022 compared with \$13.2 million for the first nine months of fiscal 2021.

Total consolidated COC (by-product) of \$1,655 per ounce of gold sold in the first nine months of fiscal 2022 were \$558 or 51% higher than the first nine months of fiscal 2021. Total AISC (by-product) of \$1,996 per ounce of gold sold in the first nine months of fiscal 2022 were \$430 higher or 27% higher than in the first nine months of fiscal 2021. Lower gold sales volume and lower copper and silver by-product credits negatively impacted both COC and AISC.

Third Quarter Ended June 30, 2022 Compared with Second Quarter Ended March 31, 2022

The Company recorded a net loss of \$1.8 million or \$0.01 per share for the third quarter of fiscal 2022 compared with a net loss of \$5.8 million or \$0.04 per share for the second quarter of fiscal 2022. The Company's net loss was impacted significantly by the following factors:

- Revenue for the third quarter of fiscal 2022 were \$18.5 million on sales of 8,980 ounces of gold and 1.1 million pounds of copper from El Valle, compared with revenue of \$21.9 million on sales of 9,199 ounces of gold and 0.9 million pounds of copper for the second quarter of fiscal 2022.
- Mining costs were \$17.9 million, compared with \$23.2 million for the second quarter of fiscal 2022.
- Depreciation increased by \$0.2 million to \$3.9 million for the third quarter of fiscal 2022 compared with \$3.7 million for the second quarter of fiscal 2022.
- Gross margin increased by \$1.8 million to negative \$3.3 million for the third quarter of fiscal 2022 compared with negative \$5.1 million for the second quarter of fiscal 2022.

Total consolidated COC (by-product) of \$1,754 per ounce of gold sold in the third quarter of fiscal 2022 were \$345 or 16% lower than the second quarter of fiscal 2022. Total AISC (by-product) of \$1,956 per ounce of gold sold in the third quarter of fiscal 2022 were \$603 or 24% lower than the second quarter of fiscal 2022. The decrease in COC and AISC was primarily due to higher gold production volume, slightly off-set by lower copper-silver by-product credits.

Orovalle

Through its wholly-owned subsidiary, Orovalle Minerals S.L. (“Orovalle”), the Company owns and operates the El Valle and Carlés gold-copper-silver mines located in the Rio Narcea Gold Belt in northern Spain, along with El Valle processing plant and El Valle tailings storage facility (TSF), collectively, the El Valle Operation. Orovalle mines skarns and oxides underground, and produces copper concentrate and doré bars.

Orovalle has a large regional exploration footprint of 45,164 ha, which includes concessions and investigation permits, few of which are still in progress.

The following table includes consolidated operating and financial performance data for Orovalle for the periods set out below:

	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Operating Performance					
Ore mined (tonnes) (wmt)	180,669	147,383	193,666	497,152	546,661
Ore milled (tonnes) (dmt)	176,401	146,170	181,258	498,859	521,241
Daily average throughput (dmt)	2,040	1,710	2,097	1,923	2,010
<i>Gold</i>					
Grade (g/t)	2.39	1.94	2.60	2.22	2.51
Recovery (%)	91.2	91.5	91.5	91.3	92.1
Production (oz)	12,354	8,341	13,879	32,425	38,791
Sales (oz)	8,980	9,199	14,520	29,619	35,128
<i>Copper</i>					
Grade (%)	0.40	0.31	0.48	0.39	0.53
Recovery (%)	82.5	80.7	84.6	82.6	82.7
Production ('000 lbs)	1,293	797	1,630	3,540	5,029
Sales ('000 lbs)	1,120	888	1,784	3,550	4,905
Financial Performance (in 000's, except per share amounts)					
Revenue	\$18,450	\$21,872	\$32,800	\$66,955	\$80,293
Mining costs	\$16,979	\$22,109	\$20,941	\$57,918	\$51,222
Income (loss) before tax	\$62	(\$3,182)	\$5,719	\$1,074	\$15,396
Capital expenditures	\$2,929	\$2,344	\$3,497	\$8,110	\$9,245
Cash operating costs (by-product) (\$/oz) gold ⁽¹⁾	\$1,655	\$1,983	\$970	\$1,558	\$988
All-in sustaining costs (by-product) (\$/oz) gold ⁽¹⁾	\$2,056	\$2,306	\$1,267	\$1,898	\$1,311
All-in costs (by-product) (\$/oz) gold ⁽¹⁾	\$2,078	\$2,330	\$1,268	\$1,917	\$1,317

(1) For further information and a detailed reconciliation of COC, AISC and AIC, please see the “Other Information - Non-IFRS Measures” section of this MD&A.

Orovalle Operating Performance

Third quarter of fiscal 2022 production decreased to 12,354 ounces of gold and to 1.3 million pounds of copper compared with 13,879 ounces of gold and 1.6 million pounds of copper during the third quarter of fiscal 2021. Gold production decreased by 11%, primarily due to 3% lower tonnes milled and 8% lower grade. Copper production decreased by 21% primary due to 3% lower tonnes milled, 16% lower head grade and 2% lower recoveries.

During the third fiscal quarter of 2022, Orovalle produced 12,354 ounces of gold and 1.3 million pounds of copper, compared with 8,341 ounces of gold and 0.8 million pounds of copper during the second quarter of fiscal 2022. Gold production increased by 48% primarily due to 19% higher tonnes milled and 23% higher head grade. Copper production increased by 62% primarily due to 19% lower tonnes milled and 32% higher head grade.

Mechanical advance rates in oxide areas increased by 25% to 2,018 meters during the third quarter of fiscal 2022, as compared to the second quarter of fiscal 2022.

A project is in progress to optimize mine haulage, both trucking-fleet size and hoisting. The diagnosis has been completed during third quarter of fiscal 2022, and the Company is in the process of defining the transportation strategy for fiscal 2023.

Orovalle Financial Performance

Revenue from Orovalle for the third quarter of fiscal 2022 decreased by 44% to \$18.5 million on sales of 8,980 ounces of gold and 1.1 million pounds of copper from \$32.8 million for the third quarter of fiscal 2021 on sales of 14,520 ounces of gold and 1.8 million pounds of copper.

Mining costs decreased by \$3.9 million. These costs were \$17 million for the third quarter of fiscal 2022 and \$20.9 million for the third quarter of fiscal 2021.

Income before tax for the third quarter of fiscal 2022 was \$0.1 million compared with an income of \$5.7 million for the third quarter of fiscal 2021.

Total capital expenditures at El Valle during the third quarter of fiscal 2022 were \$2.9 million, compared with \$3.5 million for the third quarter of fiscal 2021. Capital expenditures in the third quarter of fiscal 2022 consisted substantially of primary development, mine infrastructure, equipment overhauls and tailings dam regrowth.

Total COC (by-product) of \$1,655 per ounce of gold sold for the third quarter of fiscal 2022 were \$685 or 71% higher than third quarter of fiscal 2021. Total AISC (by-product) of \$2,056 per ounce of gold sold for the third quarter of fiscal 2022 were \$789 or 62% higher than third quarter of fiscal 2021.

Orovalle Growth Exploration

7,926 meters were drilled in the third quarter of fiscal 2022, distributed by areas as follows:

	Meters Q3 FY2022	Comments
Infill drilling		
BX	2,000	Drilling program continues progressing as planned, to define the oxide mineralization.
HE	695	Four drill holes were completed.
SB	502	Drilling campaign will continue in Q4.
Brownfield drilling		
HE	2,348	Program focused on the oxide structure definition at depth.
E2	1,044	The program target is to confirm the continuity of the oxide mineralization. Drilling is ongoing.
Greenfield drilling		
Ortosa-Godán	1,337	Three drill holes were completed, targeting the intersection of mineralization related to structures N40°E. Drilling program is ongoing.

The program continues focused on oxide areas to convert the inferred material in measured and indicated material. On the other hand, Orovalle intends to continue with the exploration programs to look for new inferred resources and new structures related with the regional structures. Additionally, greenfield programs will continue progressing along Q4.

Ms. Guadalupe Collar (European Geologist), who supervised the explorations programs, is responsible for all aspects of the work, including the quality control/quality assurance program. Ms. Guadalupe Collar, Chief of Geology at Orovalle, is a qualified person as defined in NI 43-101 and has approved all of the geological scientific and technical information relating to Orovalle disclosed in this MD&A.

EMIPA

Through its wholly-owned subsidiary, Empresa Minera Paititi S.A. ("EMIPA"), the Company owns and operates Don Mario under a number of concessions in the Don Mario district located in south-eastern Bolivia. Fiscal 2009 marked the last year of six years of production from the Company's LMZ underground gold mine at Don Mario with some gold production from lower-grade open pit satellite deposits and lower grade stockpiles continuing into fiscal 2010 and 2011. From 2012 to the end of 2016, EMIPA mined the UMZ as an open-pit mine. From 2016 to 2018, EMIPA mined new material at the

upper extension of the LMZ as an open-pit mine. Mining activity transitioned to Cerro Felix after LMZ. During the fourth quarter of fiscal 2019, mining activities transitioned from Cerro Félix to open pit operations in Las Tojas. In the first quarter of fiscal 2020 the Company made a decision to temporarily suspend mining and milling operations. Since then, Don Mario continues in care and maintenance, transitioning to the Oxides Stockpile Project, consisting of a plant expansion to treat ore stockpiled from previous years of mining activity.

The following table includes operating and financial performance data for EMIPA for the periods set out below:

	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Financial Performance (in 000's, except per share amounts)					
Mining costs	\$894	\$1,067	\$1,575	\$2,869	\$3,831
Income (loss) before tax	(\$1,439)	(\$1,447)	(\$1,631)	(\$4,124)	(\$4,522)
Capital expenditures	\$775	\$443	\$346	\$1,657	\$817

(1) For further information and a detailed reconciliation of COC, AISC and AIC, please see the "Other Information - Non-IFRS Measures" section of this MD&A.

EMIPA Operating Performance

Third quarter production was nil, similar to third quarter of fiscal 2021.

EMIPA Financial Performance

Revenue from EMIPA was \$nil in third quarter of fiscal 2022 and 2021.

Mining costs of \$0.9 million for the third quarter fiscal 2022 compared with \$1.6 million for the third quarter of fiscal 2021.

Loss before tax for the third quarter of fiscal 2022 was \$1.4 million, compared with loss before tax of \$1.6 million for the third quarter of fiscal 2021.

Total capital expenditures at Don Mario in third quarter of fiscal 2022 were \$0.8 million compared with \$0.3 million in the third quarter of fiscal 2021. Capital expenditures in the third quarter of fiscal 2022 related primarily to the Oxides Project.

EMIPA Exploration and Mine Life Extension

Subject to the favorable completion of technical, economic and funding analysis, the OSP is expected to provide three full production years for Don Mario. The quality assurance (metallurgical) testing was completed in November 2021. The Company expects to complete OSP engineering, and final CAPEX estimate, by September 2022, as well as project economics and risk assessment. Conditional to Board approval and funding readiness, construction should occur during FY2023, being the 35-month OSP production schedule between late 2023 and late 2026.

In 2019, the Company commenced an evaluation of re-processing tailings to determine the viability of recovering metal from material deposited in the tailings impoundment since the commencement of production at Don Mario. On December 29, 2021, the Company filed a technical report effective September 30, 2021, on the tailings reprocessing project (the "Tailings Technical Report"). 1,022.5 meters of infill drilling were completed during the second quarter of fiscal 2022, to improve the tailings mineral resource category. The Company is evaluating the results, and next phase of the project will be additional metallurgical testing.

New reprocessing and interpretation of historical geological data was completed in December 2020. As a result, a new comprehensive exploration program was launched in the fourth quarter of fiscal 2021. During the first quarter of fiscal 2022, exploration was carried out in two previously unexplored areas of Las Tojas and Oscar sectors. Mapping, geochemical and geophysical sampling were carried out. Resulting data has been processed, analyzed and evaluated, and the Company is planning trenching and additional geochemical/geophysical lines in both sectors.

On December 29, 2020, the Company had filed a technical report effective September 30, 2020, on the Don Mario oxide stockpile project, also located on the Don Mario Property (the "Stockpile Technical Report"). Both projects on the Don Mario Property were reported independently as the mineral resource base are not connected. Ontario Securities Commission ("OSC") staff advised that under the definition

of a technical report in NI 43-101, there can be only one current technical report in respect of a property. Any time a new technical report is filed, it will replace the previously filed technical report on that property and must include the material scientific and technical information which is still current and relevant to that property. Consequently, the Stockpile Technical Report and the Tailings Technical Report do not comply with the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects and Form 43-101F1 – Technical Report. As a result, the Company filed an amended technical report entitled "National Instrument 43-101 Technical Report for the Don Mario Property, Eastern Bolivia" and dated March 15, 2022.

Orvana Argentina

On May 14, 2019, the Company entered into a purchase agreement with Compañía Minera Taguas S.A. (the "Vendor") pursuant to which Orvana agreed to acquire the Taguas property ("Taguas") located in the Province of San Juan, Argentina. The Vendor is a related party, as it is indirectly owned by Orvana's 51.9% shareholder. Orvana Argentina S.A. was incorporated on December 9, 2020 as a subsidiary of the Company to complete the acquisition of the Taguas property. On May 21, 2021 the Company completed the requisite steps to transfer ownership of the Taguas property to Orvana Argentina S.A. The Toronto Stock Exchange ("TSX") has provided acceptance of the acquisition. In consideration for 100% of Taguas, Orvana granted the Vendor an indivisible net smelter royalty equal to 2.5% on all future metals production mined from Taguas. Taguas consists of 15 mining concessions over an area of 3,273.87 ha. It is located in the Province of San Juan, Argentina, on the eastern flank of the Andes, between 3,500 m to 4,300 m above sea level.

On July 9, 2019, the Company filed a Canadian National Instrument 43-101 compliant preliminary economic assessment report on Taguas. On July 28, 2021 the Company filed a new Canadian National Instrument 43-101 compliant report, updating the mineral resource estimate on Taguas. Both reports are available at the Company's profile on www.sedar.com. On December 29, 2021 the Company announced the results of its updated preliminary assessment report for Taguas Project (see details included in First Quarter of Fiscal 2022 Consolidated Financial Results and Operating Highlights section).

In the first quarter of fiscal 2022 the Company closed a €15 million syndicated loan with two Spain-based banks, through its wholly-owned subsidiaries in Spain, Orvana Minerals Iberia S.L.U. and Orovalle Minerals S.L. Orvana is using the proceeds to fund the development of the Taguas Project in Argentina and structural capital expenditures in Spain.

The first phase of infill drilling on Taguas, that started late December 2021, was completed by May 2022. The Company expects to have the orebody remodeling available by the last quarter of fiscal 2022.

Mr. Raúl Álvarez (European Geologist), who supervised the Taguas drilling program, is responsible for all aspects of the work, including the quality control/quality assurance program. Mr. Raúl Álvarez, Director of Exploration and Technical Services, is a qualified person as defined in NI 43-101 and has approved all of the geological scientific and technical information relating to Taguas Project disclosed in this MD&A.

Market Review and Trends

Metal Prices

The market prices of gold and copper are primary drivers of Orvana's earnings and ability to generate free cash flows. During the third quarter of fiscal 2022, gold traded in a range from \$1,810 to \$1,977 per ounce and averaged \$1,872 per ounce compared with \$1,816 per ounce in the third quarter of fiscal 2021. Orvana's average gold realized price in the third quarter of fiscal 2022 was \$1,881 per ounce, as compared to \$1,798 per ounce in the third quarter of fiscal 2021. The Company derived approximately 75% of its revenue from sales of gold in the third quarter of fiscal 2022.

Copper prices during the third quarter of fiscal 2022 traded in a range of \$3.71 to \$4.82 per pound and averaged \$4.32 per pound compared with \$4.41 per pound in the third quarter of fiscal 2021. Orvana's average copper realized price in the third quarter of fiscal 2022 was \$4.40 per pound, as compared to

\$4.36 per pound in the third quarter of fiscal 2021. The Company derived approximately 22% of its revenue from sales of copper in the third quarter of fiscal 2022.

Currency Exchange Rates

The results of Orvana's operations are affected by US dollar exchange rates. Orvana's largest exposure is to the Euro/US Dollar exchange rate. The Company incurs operating and administration costs at Orovalle in Euros, while revenue is denominated in US dollars. US Dollar exchange rate moved from an average of 1.20 in the first nine months of fiscal 2021, to 1.1 in the first nine months of fiscal 2022. As a result of foreign exchange movements, mining costs at Orovalle were lower by approximately \$4.5 million in the first nine months of fiscal 2022 compared with the first nine months of fiscal 2021.

Orvana also has a minor exposure to the Canadian dollar and the Swedish krona through corporate administration costs. Orvana's exposure to the US Dollar to Bolivianos exchange rate is limited as this exchange rate has not fluctuated significantly during previous reporting periods.

FINANCIAL CONDITION REVIEW

Balance Sheet Review

The following table provides a comparison of key elements of Orvana's balance sheet at June 30, 2022 and September 30, 2021.

<i>(in 000's)</i>	June 30, 2022	September 30, 2021
Cash and cash equivalents	\$6,060	\$11,327
Restricted cash (short term)	\$96	\$85
Non-cash working capital ⁽¹⁾	\$(4,162)	\$(8,998)
Total assets	\$140,464	\$144,936
Total liabilities	\$78,263	\$75,069
Shareholders' equity	\$62,201	\$69,867

(1) Working capital represents current assets of \$31 million less cash and cash equivalents and short-term restricted cash totaling \$6 million and less \$29 million in current liabilities composed of accounts payable, provision for statutory obligations and accrued liabilities, income taxes payable and derivative instruments (not including current debt).

Total assets decreased by \$4.4 million from \$144.9 million at September 30, 2021 to \$140.5 million at June 30, 2022, primarily as a result of the increases in (i) inventory of \$0.6 million, (ii) income tax receivable of \$1.4 million, (iii) derivatives of \$0.7 million, and (iv) deferred taxes of \$1.3 million, all these offset with the decreases in (i) cash and restricted cash of \$5.6 million, (ii) gold and concentrate receivable of \$0.1 million, (iii) VAT receivables of \$0.3 million, (iv) assets held for sale of \$1.1 million, and (v) reclamation bonds and other assets of \$1.3 million.

Total liabilities increased by \$3.2 million to \$78.3 million at June 30, 2022 from \$75.1 million at September 30, 2021 primarily as a result of increases in (i) debt for \$9.2 million, and (ii) long-term compensations for \$0.7 million, offset by decreases in (i) accounts payable and accrued liabilities for \$3 million, (ii) provision for statutory obligations for \$1.1 million, (iii) asset retirement obligations for \$1.4 million, (iv) lease obligations for \$1.1 million, and (v) derivatives for \$0.1 million.

COVID-19 and Bank debt

Spain's and Bolivia's Governments declared different rules since March 2020 to try to minimize the COVID-19 pandemic impact.

On April 1, 2020, the Bolivian Government issued Law 1294 Exceptional law of deferral of debt payments and temporary reduction of the payment of basic services allowing entities incorporated under the laws of Bolivia to reschedule debt repayments of principal and interests with a due date between April, 1 2020 and the end of quarantine of COVID-19. On August 26, 2020 the Bolivian Government issued Law 1319, clarifying that the extension of the automatic deferral of repayments (principals and interests) will continue until December 31, 2020. EMIPA, based on these rules, deferred several

installments of the TSF and Heavy Equipment Loans due between April and December 2020, maintaining the remaining installments according to the existing terms of the loan agreements. The Supreme Decret number 4409 issued by the Bolivian Government on December 2, 2020, provided that the Bolivian banks should agree with their clients a new repayment calendar for the debt affected by laws 1294 and 1319, taking into consideration the financial situation of each Company. In April 2021, EMIPA and BISA Bank finalized the new repayment schedule for the TSF and Heavy Equipment Loans. Pursuant to the new repayment schedule, \$2.6 million originally due in fiscal 2020 and 2021 is deferred to fiscal 2022. Interest will continue to apply for the deferred period at the originally agreed interest rates.

As part of the Spanish national program to mitigate economic impacts caused by the COVID-19 pandemic, the Spanish Government offered guarantee lines to the Spanish banking sector through the Official Credit Institute "ICO", to facilitate companies to access funding. Orovalle has received up until June 30, 2022 a total amount of €6.5 million (\$6.7 million) of this type of funding – refer to section "New Financing COVID-19 related facilities – Orovalle" for further details.

EMIPA Bank debt

- *TSF Loan*

In June 2017, EMIPA entered into a Bs.58,017,483 (approximately \$8.3 million) term facility with BISA in Bolivia, the proceeds of which were used to fund a major tailings storage facility expansion project to add sufficient capacity to support future operations ("TSF Loan"). The TSF Loan bears an interest rate of 5.3% per annum, with seven disbursements of specified amounts that were received as expenditures were incurred on the tailings storage facility expansion. The TSF Loan is being repaid in twelve equal repayments beginning in April 2018 (refer to note 1 with regard to term extension). Security for the TSF Loan includes certain assets at Don Mario. The TSF Loan contains covenants that, among other things, restrict EMIPA's ability to make cash disbursements to Orvana in certain circumstances.

As at June 30, 2022, EMIPA had received the full amount for \$8.3 million (September 30, 2021 – \$8.3 million) and principal repayments of \$7.6 million were made against the TSF Loan, such that the principal outstanding at June 30, 2022 was \$0.7 million (September 30, 2021 - \$2.1 million).

- *Heavy Equipment Loan*

In May 2018, EMIPA entered into a Bs.16,514,688 (approximately \$2.4 million) term facility with BISA in Bolivia, the proceeds of which were used to purchase heavy equipment ("Heavy Equipment Loan"). The Heavy Equipment Loan bearded an interest rate of 5.5% per annum.

As at June 30, 2022, the full amount of the loan was drawn down and principal repayments of \$2.4 million were made against the Heavy Equipment Loan, such that the principal outstanding was \$nil (September 30, 2021 - \$0.5 million).

Orovalle Bank debt

- *Revolving facilities*

In May 2020, Orovalle obtained a revolving credit facility with Bankinter S.A ("Bankinter") for an amount of €1.5 million (\$1.6 million) for a yearly renewable term, and bearing an annual interest of 1.95 %.

In May 2022, Orovalle obtained an additional revolving credit facility with Bankinter S.A. ("Bankinter") for an amount of €0.8 million (\$0.9 million) for a three-month renewable term. This facility has no interest, and it is subject to a 0.5% opening fee.

As of June, 30, 2022 these revolving facilities had a balance of \$2.4 million (September 30, 2021 – \$1.6 million).

- *Spanish Banking Facility – Orovalle*

In January 2019 Orovalle closed a syndicated credit facility for a total amount of €6 million (in \$6.2 million). These funds were used to repay the Samsung Prepayment Facility. In May 2019, Orovalle increased the facility by €2 million (\$ 2.1 million), achieving a total aggregated amount of €8 million (approximately \$ 8 million), with the same terms and conditions.

This facility is subject to a 2% bank opening commission fee, bears a fixed annual interest rate of 2.55%, semi-annual principal repayments and semi-annual interest payments over a term of four years.

Amongst the obligations, Orovalle is required to comply with year-end net finance debt to EBITDA proforma financial covenant calculated based on the stand-alone financial information of the subsidiary. This resulting rate had to be lower than 3.5 for fiscal 2020, and has to be lower than 3 and 2 for fiscal 2021 and 2022, respectively. At June 30, 2022 and at September 30, 2021, Orovalle was in compliance with the Spanish Banking Facility covenants.

The detail of proceeds and repayments of this banking facility is described below:

Facility	Bank	Principal	Proceeds up until	Repayments up	Outstanding
			June 30, 2022	until June 30, 2022	balance,
		(000s)	(000s)	(000s)	June 30, 2022
					(000s)
Loan	Bankia	€ 2,667	€ 2,667	€2,000	€667
	BBVA	2,667	2,667	2,000	667
	Sabadell	2,666	2,666	2,000	666
Totals (€ 000s)		€ 8,000	€ 8,000	€ 6,000	€ 2,000
Def. finance fees (€ 000s)		-	-	-	€ (36)
Totals (€ 000s) - net		€ 8,000	€ 8,000	€ 6,000	€ 1,964
Totals (\$ 000s)		\$ 8,310	\$ 8,310	\$ 6,270	\$ 2,040

The Company's obligations to the lenders are secured by: (i) the pledge of all of Orvana's shares of Orovalle; and (ii) 25% restricted cash (as of September 30, 2021 the restricted cash linked to this financing was \$0.8 million and as of June 30, 2022 this is \$0.5 million).

- *COVID-19 related facilities – Orovalle*

As part of the Spanish national program to mitigate economic impacts caused by the COVID-19 pandemic, the Spanish Government offered guarantee lines to the Spanish banking sector through the Official Credit Institute "ICO", to facilitate companies to access funding. Since April 2020 Orovalle obtained several financing facilities with this guarantee from the Spanish Credit Institute. The detail of proceeds and repayments of each one is described below:

Facility	Bank	Principal (€ 000)	Proceeds up until June 30, 2022 (000s)	Repayments up until June 30, 2022 (000s)	Outstanding balance, June 30, 2022 (000s)
Loan	Bankinter	€ 1,000	€ 1,000	€ 1,000	€ -
	Bankinter	500	500	247	253
	Sabadell	1,500	1,500	870	630
	BBVA	800	800	800	-
	Sabadell	547	547	333	214
	Sabadell	350	350	226	124
Revolving line	BSCH	1,800	1,800	2	1,798
Totals (€ 000s)		€ 6,497	€ 6,497	€ 3,478	€ 3,019
Totals (\$ 000s)		\$ 6,748	\$ 6,748	\$ 3,611	\$ 3,137

- *Bankia Loan - Orovalle*

In February 2021, Orovalle entered into a loan with Bankia. The principal amounted to €0.5 million (\$0.6 million) at a fixed annual interest rate of 1.3%. This loan matures in February 2023. For the nine months ended June 30, 2022, the Company paid \$0.3 million of principal.

- *Bankinter Loan - Orovalle*

In December 2021, Orovalle entered into a loan with Bankinter. The principal amounted to €0.5 million (\$0.5 million) at a fixed annual interest rate of 1.5%. This loan matures in December 2023. For the nine months ended June 30, 2022, the Company paid \$0.1 million of principal.

- *Syndicated Loan – Orovalle and Iberia*

In December 2021, Orovalle and Orvana Minerals Iberia entered into a syndicated Loan with BBVA and Sabadell. The detail of proceeds and repayments of this loan is described below:

Facility	Bank	Principal (000s)	Proceeds up until March 31, 2022 (000s)	Repayments up until June 30, 2022 (000s)	Outstanding balance, June 30, 2022 (000s) (1)
Loan	BBVA	€ 7,500	€ 7,500	€ 937	€ 6,563
	Sabadell	7,500	7,500	938	6,562
Totals (€ 000s)		€ 15,000	€ 15,000	€ 1,875	€ 13,125
Def. finance fees (€ 000s)		-	-	-	€ (451)
Totals (€ 000s) - net		€ 15,000	€ 15,000	€ 1,875	€ 12,674
Totals (\$ 000s)		\$15,581	\$15,581	\$ 1,948	\$ 13,164

The Company's obligations to the lenders are secured by the pledge of all of Orvana's shares of Orovalle and Orvana Minerals Iberia. Amongst other obligations, the ratio net finance debt to EBITDA calculated based on the aggregated financial information of Orovalle and Iberia, must be, throughout the life of the financing, less than 3.5. At June 30, 2022 Orovalle and Orvana Minerals Iberia were in compliance with these covenants.

- *Sabadell Loan – Orovalle*

In May 2022, Orovalle entered into a loan with Banco Sabadell. The principal amounted to €0.3 million (\$0.3 million) at an annual variable interest rate of EURIBOR + 0.55%. This loan matures in May 2024. As of June 30, 2022, outstanding amount of this loan is \$0.3 million.

Shareholders' Equity

Shareholders' equity at June 30, 2022 decreased by 11% to \$62.2 million compared with \$69.9 million at September 30, 2021. The table below sets out the number of each class of securities of the Company outstanding at June 30, 2022 and as at the date hereof:

	At June 30, 2022
Common Shares	136,623,171
Options ⁽¹⁾	646,008

(1) The options have a weighted average exercise price of \$0.21 and their expiry date is December, 21 2022.

Derivative Instruments

The Company had the following derivative instruments at June 30, 2022:

	Contract Prices	Settlements	Spot Rate / Price	Fair Value June, 2022 (asset)	Contract Amount
Gold forwards	\$1,995/troy oz to \$2,025/troy oz	Jul to Sep (monthly)	\$1,817	\$681	3,000 troy oz

	Contract Prices	Settlements	Spot Rate / Price	Fair Value June, 2022 (liability)	Contract Amount
EUR / USD Currency futures	1.0608 – 1.0651	Jul - Sep 2022	1.0387	\$137	€ 6M

The Company recorded fair value adjustments on its derivative instruments as follows (in thousands of USD):

	For the three months ended June 30,		For the nine months ended June 30,	
	2022	2021	2022	2021
Change in unrealized fair value – gold forwards	\$ 430	\$ -	\$ 721	\$ -
Change in unrealized fair value – currency futures	(140)	-	82	-
Realized gain on cash settlements of derivative instruments	68		68	
Derivative instruments gain	\$ 358	\$ -	\$ 871	\$ -

Capital Resources

At June 30, 2022, the Company had cash and cash equivalents of \$6.1 million and restricted cash of \$0.6 million. The Company considers its capital employed to consist of shareholders' equity (including share capital, contributed surplus and retained earnings), total debt and lease liabilities, net of cash and cash equivalents as follows:

<i>(in 000s)</i>	June 30, 2022	September 30, 2021
Shareholders' equity	\$62,201	\$69,867
TSF Loan – EMIPA	708	2,124
Heavy Equipment Loan – EMIPA	-	526
Revolving facilities – Orovalle	2,436	1,571
Spanish banking facility – Orovalle	2,040	3,391
COVID-19 related facilities – Orovalle	3,137	5,103
Bankia Loan – Orovalle	191	451
Bankinter Loan – Orovalle	375	-
Syndicated Loan – Orovalle and Iberia	13,164	-
Sabadell Loan – Orovalle	273	-
Lease liabilities	525	1,543
	85,050	84,576
Less: Cash and cash equivalents	(6,060)	(11,327)
Capital employed	\$78,990	\$73,249

The Company's financial objective when managing capital is to ensure that it has the cash and debt capacity and financial flexibility to fund its ongoing business objectives including operating activities, investments and growth in order to provide returns for shareholders. In order to maintain or adjust the capital structure, in addition to using cash flows from operating activities for this purpose, the Company may issue new shares or obtain additional debt.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the Company's operating and financial performance and current outlook for the business and industry in general. The Company's alternatives to fund future capital needs include cash flows from operating activities, debt or equity financing or adjustments to capital spending. The capital structure and these alternatives are reviewed by management and the board of directors of the Company on a regular basis to ensure the best mix of capital resources to meet the Company's needs.

The Company manages capital through its operating and financial budgeting and forecasting processes. The Company reviews its working capital and forecasts its future cash flows on a periodic basis, based on operating expenditures and other investing and financing activities. The forecast is regularly updated based on the results of each unit. Information is regularly provided to the board of directors of the Company.

Due to the ongoing uncertainties attributed to the COVID-19 pandemic and the war in Europe, the Company's strategy for fiscal 2022 is to manage its existing capital resources and liquidity in a prudent fashion, to meet all of its existing debt repayment obligations. Refer to "COVID-19" and "Outlook" sections.

Cash Flows, Commitments, Liquidity and Contingencies

Cash Flows

Total cash and cash equivalents as at June 30, 2022 was \$6.1 million, primarily denominated in US dollars, representing \$5.3 million lower cash than at September 30, 2021. Short-term restricted cash was \$0.1 million at June 30, 2022, which is the same amount as at September 30, 2021. The Company's total debt was \$22.3 million at June 30, 2022. This compares with total debt as at September 30, 2021 of \$13.2 million.

The following table summarizes the principal sources and uses of cash for the periods specified below:

<i>(in 000's)</i>	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Cash provided by (used in) operating activities before changes in non-cash working capital	(\$1,161)	(\$1,546)	\$7,600	\$2,394	\$18,540
Cash provided by (used in) operating activities	859	153	9,097	(4)	13,590
Cash provided by (used in) investing activities ⁽¹⁾	(6,787)	(4,230)	(4,756)	(14,951)	(10,228)
Cash provided by (used in) financing activities	(3,442)	(1,309)	(1,745)	7,694	(2,646)
Change in cash	(\$9,370)	(\$5,386)	\$2,596	(\$7,261)	\$716

(1) These amounts are presented on a cash basis. Each reported period excludes unpaid capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reported period. See "Cash Flows, Commitments and Liquidity - Capital Expenditures".

Orvana's primary source of liquidity continues to be from operating cash flows. Cash flows used in operating activities before changes in non-cash working capital were \$1.2 and provided for \$2.4 million for the third quarter and first nine months of fiscal 2022, respectively, compared to cash flows provided for \$7.6 and \$18.5 million for the third quarter and first nine months of fiscal 2021, respectively. Cash flows in operating activities were: cash provided of \$0.9 and \$nil cash used nor provided for the third quarter and first nine months of fiscal 2022, respectively, compared with cash flows provided by operating activities of \$9.1 and \$13.6 million for the third quarter and first nine months of fiscal 2021, respectively.

Significant drivers of the change in operating cash flow are production and realized gold and copper prices on sales. Future changes in the market price of gold and copper, either favourable or unfavourable, will continue to have a material impact on the Company's cash flows and liquidity. The principal uses of operating cash flows have been working capital and the funding of the Company's planned capital expenditures.

Cash used in investing activities were \$6.8 and \$15 million in the third quarter and first nine months of fiscal 2022, respectively, compared with cash used of \$4.8 and \$10.2 million in the third quarter and first nine months of fiscal 2021, respectively. Capital expenditures drive the majority of cash flows used in investing activities.

Cash used in financing activities was \$3.4 million in the third quarter and \$7.7 million were provided in the first nine months of fiscal 2022. All this compared with cash required by financing activities amounting \$1.7, and \$2.6 million, in the third quarter and first nine months of fiscal 2021, respectively.

Capital Expenditures

The following table sets forth Orvana's capital expenditures for the periods specified below for El Valle and Don Mario:

<i>(in 000's)</i>	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
El Valle	\$2,929	\$2,343	\$3,497	\$8,110	\$9,245
Don Mario	775	443	346	1,657	817
Corporate	-	2	-	2	-
Taguas	1,611	2,210	-	3,821	-
Sub-total capital expenditures	\$5,315	\$4,998	\$3,843	\$13,590	\$10,062
Accounts payable adjustments ⁽¹⁾	\$1,788	(287)	\$955	2,480	\$1,038
Total capital expenditures ⁽¹⁾	\$7,103	\$4,711	\$4,798	\$16,070	\$11,100

(1) These amounts are presented on a cash basis. Each reported period excludes unpaid capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reported period. Since 2020 this adjustment includes the elimination of IFRS16 assets adjusted in CAPEX.

At El Valle, capital expenditures in third quarter of fiscal 2022 consisted mainly of primary development, heavy equipment and mining infrastructure. Capital expenditures at Don Mario consisted of metallurgical studies and tests works related to the oxides project. Capital expenditures at Orvana Argentina are related to exploration and evaluation costs of the Taguas Project.

Due to the ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts, Capital expenditures programs are being reviewed companywide. Refer to “COVID-19” and “Outlook” sections.

Other Commitments

The Company’s current contractual obligations are summarized in the following table:

As at June 30, 2022	Total	Payment Due by Period			
		Less than 1 Year	1-3 Years	4-5 Years	After 5 Years
Bank debt – Orovalle and Iberia ⁽¹⁾	\$18,557	\$8,196	\$10,361	-	-
Bank debt – EMIPA ⁽¹⁾	\$709	\$709	-	-	-
Finance leases	\$529	\$409	\$120	-	-
Operating leases	\$466	\$347	\$119	-	-
Decommissioning liabilities ⁽²⁾	\$25,103	\$60	\$153	-	\$24,890
Provision for statutory labour obligations ⁽³⁾	\$110	\$110	-	-	-
Long-term compensation	\$4,032	-	-	-	\$4,032
Total contractual obligations ⁽⁴⁾	\$49,506	\$9,831	\$10,753	\$-	\$28,922

(1) Debt payments include interests.

(2) Decommissioning liabilities are undiscounted.

(3) Under Bolivian law, EMIPA has an obligation to make payments to employees in the amount of one month’s wages for each year of service. The employee can elect to receive payment after five years of service in the amount of five months of wages while continuing employment with EMIPA.

(4) Production from El Valle and Don Mario is subject to certain royalties for which amounts have not been included in total contractual obligations as at June 30, 2022.

Royalties

Production from El Valle is subject to a 3% net smelter return royalty (“NSR”), referred to herein as the El Valle Royalty. The El Valle Royalty rate decreases to 2.5% for any quarter in which the average price of gold is below \$1,100 per ounce. The El Valle Royalty expense totaled \$0.8 and \$2.2 million for the third quarter and first nine months of fiscal 2022, respectively, compared with \$1 and \$2.4 million for the third quarter and first nine months of fiscal 2021, respectively.

Production from Don Mario is subject to a 3% NSR. This expense totaled \$0.1 and \$0.3 million for the third quarter and first nine months of fiscal 2022, respectively, compared with \$0.1 and \$0.3 million for the third quarter and first nine months of fiscal 2021, respectively. The Bolivian government collects a mining royalty tax on the revenue generated from copper, gold and silver sales from Don Mario at rates of 5%, 7% and 6%, respectively. These amounts totaled \$nil and \$nil million for the third quarter and first nine months of fiscal 2022, respectively, compared with \$nil and \$nil for the third quarter and first nine months of fiscal 2021, respectively.

Liquidity

Orvana’s primary sources of liquidity in the first nine months of fiscal 2022 were operating cash flows, generating cash of \$2.4 million from operating activities before changes in non-cash working capital. During the first nine months of fiscal 2022, Orvana provided cash for \$7.7 million in financing activities, generated \$nil cash from operating activities, and used \$15 million in investing activities.

As at June 30, 2022, the Company had cash of \$6.1 million, and together with forecasted operating cash flow, the renewal of current revolving lines, the reimbursement of VAT balances, expects to cover the Company’s commitments due in less than one year of \$9.8 million.

The Company’s strategy for the fourth quarter of fiscal 2022 is to manage its existing capital resources and liquidity in a prudent fashion to sustain ongoing capital projects and exploration programs.

The Company has been pursuing a number of initiatives in order to meet its objectives of optimizing production, lowering unitary cash costs, maximizing free cash flow, extending the life-of-mine of its operations and growing its operations to deliver shareholder value.

Orovalle’s production, revenue and costs suffered material impacts in fiscal 2022 due to:

- COVID-19 related workforce absenteeism that resulted in lower productivity and production.

- Lower fleet mechanical availability due to delays in spare parts supply around Europe, impacting both mine and plant efficiencies.
- Operations shutdown in March 2022, due to an unusually severe nationwide transportation strike in Spain, that disrupted supply chains across all sectors, and regions, especially the highly industrialized north, where El Valle sits.
- Regular level of indirect fixed costs, that given lower production, originated materially higher unit costs.
- Higher prices for energy, materials, supplies and services. Spain's annual inflation was 6.7% in December 2021, reaching a near 40-year high of 10.8 percent in July 2022. Fuel and electricity pricing continue at the core of this phenomenon.

Management believes that the above-mentioned operational issues are temporary and will not affect Orovalle's performance in the medium to longer term. Actions are being taken to optimize operational levels, while continuing to manage outstanding risks related to COVID-19.

The conflict in Ukraine is causing significant economic and social effects, which are affecting all European countries. The Spanish Government and the European Union are implementing economic measures to try to mitigate the impacts of the armed conflict. Spain's Central Bank forecasted early June consumer prices to surge 7.2% in 2022, but just 2,6% in 2023 and 1,8% in 2024. Management expects that this inflationary scenario is temporary and will not affect Orovalle's results in the medium to longer term in a material way.

At EMIPA operations are in care and maintenance. Capital expenditures in respect to the Oxides Stockpile Project would only be incurred should financing acceptable to the Company is realized.

At Argentina, the Company is re-modeling the resource based on results obtained from the first phase of the infill drilling campaign completed in May 2022. The Company would continue with the second phase of the campaign only if capital resources and liquidity are available.

The Company's cash flow forecasts are developed using best available information at the time of their preparation and rely on certain material assumptions, such as gold and copper market prices and the ability to achieve planned production of gold and copper. There can be no assurances that the Company's cash flow forecasts will not change materially in the future and that the effect of changes to the Company's forecasts, if negative, could result in future financing requirements for the Company.

If (i) unanticipated events occur that may impact the Company's operations and/or (ii) if the Company does not have adequate access to financing on terms acceptable to the Company, the Company may need to take additional measures to increase its liquidity and capital resources, including obtaining additional debt or equity financing, pursuing joint-venture partnerships, equipment financings or other receivables financing arrangements. The Company may experience difficulty in obtaining satisfactory financing terms. Failure to obtain adequate financing on satisfactory terms could have a material adverse effect on Orvana's results of operations or financial condition.

Contingencies

The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. Spanish Water Authority has taken the position that the levels of selenium in the river flowing past El Valle Mine exceed the levels permitted by applicable regulations as a result of discharges attributed to Orovalle which may not be in compliance with certain of Orovalle's permits. Orovalle has received approximately € 955,000 (\$992) in fines relating to these matters and may face further additional fines or other sanctions, including the revocation or suspension of certain permits, in the future. Orovalle is appealing the outstanding fines totalling €628,715 (\$653) and the enforcement of certain fines has been suspended pending the related criminal matter. A criminal court of Asturias has conducted since fiscal 2015, an investigation into the potential commission by Orovalle of a reckless crime under the Spanish penal code relating to these matters. After the conclusion of the investigation phase, the Court notified in the third quarter of fiscal 2020 the opening of the oral trial. The request of the Prosecutor and the State's Attorney acting in this Process includes a fine of up to €20 million (\$20.8 million) and the eventual withholding of Orovalle's operations until it is demonstrated that the alleged polluting activity has ceased. The petition also includes a €5 million (\$5.2 million) indemnity for civil liability. At this time, the state prosecutor has petitioned these sanctions against Orovalle in respect of this matter. Orovalle has filed its preliminary statement of

defence requesting for the dismissal of the allegations on the basis that, among other things, there is an absence of a committed offence. The process to resolve this matter is ongoing, and as of the date of this consolidated financial statements, no final decision by the courts have been rendered in respect of this matter. A date for the commencement of the oral trial had been set for March 2021. Due to procedural matters, on March 1, 2021, the trial has been rescheduled to an undetermined date in the future. In connection with the pending oral trial, the Court set a requirement on Orovalle to provide a bond in the amount of €7 million (\$7.3 million) as warranty for contingent liabilities, subject to the outcome of the oral trial. Orovalle has appealed the bond requirement. The appeal is in progress as of date hereof. Individuals have been excluded from any charges, and this case relates only to Orovalle at this time. If Orovalle is ultimately found responsible, monetary penalties, amongst other sanctions, may be applied. These sanctions could have a material impact on the Company.

On June 27, 2011, as a condition of receiving an environmental permit on that date, the Government of the Principality of Asturias, required Orovalle to commit to post an additional reclamation bond in the amount of €5 million (approximately \$5.2 million) in respect of the tailings impoundment area. To satisfy this requirement, Orovalle deposited €5 million (approximately \$5.2 million) in September 2011 in favour of the Spanish regulatory authorities. Spanish regulatory authorities have requested an additional reclamation bond totaling €5 million (approximately \$5.2 million) be deposited in their favour to satisfy additional reclamation bond commitments in respect of the tailings impoundment area, the assessment of which the Company has contested. The Company is challenging the requirement to fund the additional reclamation bond through an administrative appeal process with the Spanish regulator. The appeal is in progress and the Company will use all legal means at disposal to contest this matter.

The Company and certain of its employees may be involved in other legal proceedings from time to time, arising in the ordinary course of its business. The amount of ultimate liability with respect to these actions, in the opinion of management, is not expected to materially affect the Company's financial position, results of operations or cash flows. The Company does not believe that the outcome of any of the matters not recorded in the consolidated financial statements, individually or in aggregate, would have a material adverse effect.

During first quarter of fiscal 2020, the Company suspended mining and milling operations at EMIPA, as a result of higher than expected ore-grade operational mining dilution in Las Tojas area, with more narrow, erratic and discontinued mineralized structures, which resulted in uneconomic unitary cost per ounce. As a result of the suspension of operations, during the second quarter of fiscal 2020 EMIPA implemented a labor restructuring process that affected 182 employees. The process was managed according to the terms defined by applicable laws in Bolivia. A group of 84 former employees affected by the restructuring process (the "Former Employees") decided not to accept the dismissal terms provided for under applicable employment laws in Bolivia. In respect of these Former Employees, EMIPA proceeded to deposit into a judicial account the compensation benefits to which the aforementioned employees were entitled within the period established by law and according to the terms defined by the local regulation.

As a result of filings by the Former Employees to dispute the dismissal process, the Labor Authority notified EMIPA in July 2020 by way of Reinstatement Resolutions that the Former Employees should be reinstated to their original job positions with the payment of the wages accrued since their dismissal (the "Original Reinstatement Resolutions"). EMIPA subsequently filed Constitutional Appeals to dispute the Original Reinstatement Resolutions on the basis that the dismissal process conducted by EMIPA during the restructuring process is in full compliance with applicable employment laws. In June 2021, the Constitutional Court ruled in favor of EMIPA instructing the correction of identified errors in the Original Reinstatement Resolutions, because of not considering the suspension of operations as force majeure causing the restructuring process.

Since then, the Labor Authority has reissued Reinstatement Resolutions (the "Amended Reinstatement Resolutions") on three separate occasions (June 2021, January 2022 and May 2022) trying to correct the errors identified by Constitutional Court. The Constitutional Court determined that the Labor Authority's Amended Reinstatement Resolutions on June 2021 and January 2022 did not adequately address the deficiencies identified by the Constitutional Court. The Labor Authority reissued its Amended Reinstatement Resolutions for a third time on May 2022 to address the Constitutional Court's ruling. As the May 2022 Amended Reinstatement Resolutions still did not adequately consider EMIPA's

force majeure reasons for implementing the labor restructuring. EMIPA filed a complaint to the Constitutional Court to direct the Labor Authority to consider EMIPA's force majeure arguments. As at the date of this report, the Labor Authority has not issued new Reinstatement Resolutions that have complied with the Constitutional Court rulings. EMIPA is awaiting the Constitutional Court's ruling on this latest Reinstatement Resolution issued in May 2022.

In parallel to the administrative jurisdiction, the Former Employees started four criminal files against the General Manager of EMIPA, for not reinstating them to EMIPA notwithstanding that the Constitutional Court nullified the Original Reinstatement Resolutions issued by the Labor Authority. Despite the Original Reinstatement Resolutions having been nullified by the Constitutional Court, three of the four files continued in progress at the criminal jurisdiction. Two of the files that progressed under the criminal jurisdiction were declared not criminally related, and directed to the labor jurisdiction. On July 2022, Former Employees filed a constitutional appeal against one of the two files that were declared not criminally related. The Former Employees won its constitutional appeal, and therefore the file will return to the criminal jurisdiction. Regarding the last file in progress, in late April 2022 the Criminal Court issued a sentence determining the imprisonment of the General Manager for a period of four years. A legal appeal against the sentence was presented, and, on May 9, 2022, the sentence was nullified because of the lack of jurisdiction of the Criminal Court to rule.

As at the date of this report, 68 employees continue with their claim for reinstatement. The Company continues defending vigorously its position, as the restructuring process was implemented because of the suspension of operations, and in full compliance with all the applicable laws in Bolivia. Considering the strength of EMIPA's arguments and all the positive rulings obtained as of today, the Company expects a positive outcome of the process. If EMIPA has to ultimately reinstate the Former Employees, it could have a material impact on the Company.

SUMMARY OF QUARTERLY RESULTS

The following two tables include results for the eight quarters ended June 30, 2022:

<i>(in 000's, except per share amounts)</i>	Quarters ended			
	Q3 2022	Q2 2022	Q1 2022	Q4 2021
Revenue	\$18,450	\$21,872	\$26,633	\$25,220
Net income (loss)	(\$1,816)	(\$5,840)	\$405	(\$1,336)
Gain (loss) per share (basic and diluted)	(\$0.01)	(\$0.04)	\$0.00	(\$0.01)
Total assets	\$140,464	\$148,693	\$151,704	\$144,936
Total financial liabilities ⁽¹⁾	\$22,986	\$26,316	\$27,219	\$14,936
	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Revenue	\$32,800	\$19,678	\$27,815	\$32,586
Net loss	(\$877)	(\$818)	\$1,919	\$8,640
Loss per share (basic and diluted)	(\$0.01)	(\$0.01)	\$0.01	\$0.06
Total assets	\$151,046	\$152,340	\$152,539	\$150,945
Total financial liabilities ⁽¹⁾	\$20,052	\$21,592	\$20,268	\$22,022

(1) Financial liabilities include current and long-term portions of debt, obligations under finance leases and derivative liabilities.

FINANCIAL AND OTHER RISKS AND UNCERTAINTIES

Financial Risks

The Company's activities expose it to a variety of financial market risks (including commodity price risks, currency risk and interest rate risk), credit risks, liquidity risks, financing risks and other risks. Enterprise risk management is carried out by management of the Company under policies approved by the board of directors thereof. Management identifies and evaluates the financial risks in co-operation with the Company's operating units. The Board of Directors of the Company reviews management's risk management programs and provides oversight on specific areas. The Company's overall risk

management program seeks to minimize potential adverse effects on the Company's financial and operating performance.

Other Risks

The Company identified a variety of additional risks and uncertainties in the most recent Annual Information Form ("AIF") including, but not limited to, (i) mineral resources and reserves estimates and replacement of depleted reserves, (ii) production estimates, (iii) development, capital projects and operations of mines, (iv) competition, (v) acquisitions and divestitures, (vi) title matters, (vii) water supply, (viii) regulatory and other risk, (ix) permits, (x) environmental, health and safety regulations, (xi) political and related risks, (xii) insurance, (xiii) reliance on key personnel and labor relations, (xiv) community relations and license to operate, (xv) litigation, (xvi) conflicts of interest, (xvii) controlling shareholder, and (xviii) share trading volatility.

In respect of regulatory and other risks and environmental regulations risks, see "Contingencies" above.

For a more detailed discussion of such financial and other business risks, please see the "Risk Factors" in Orvana's most recent AIF at www.sedar.com.

The COVID-19 pandemic is causing significant financial market declines and social dislocation, globally. For a more detailed discussion of such pandemic risks, refer to "COVID-19" section.

OTHER INFORMATION

Critical Accounting Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of the financial statements and the reported amounts of certain revenues and expenses during the period. Actual results could differ significantly from those estimates. Specific items requiring estimates are mineral reserves, accounts receivable, property, plant and equipment, depreciation and amortization, forward metals prices, decommissioning liabilities, future income taxes, stock-based compensation and other accrued liabilities and contingent liabilities.

Net Realizable Amounts of Property, Plant and Equipment

At June 30, 2022, the net carrying value of the property, plant and equipment in respect of Orovalle and EMIPA, and Orvana Argentina amounted to \$38 million, \$35 million and \$5 million, respectively. Effective from the point that they are ready for their intended use, property, plant and equipment are amortized on a straight-line basis or using the units-of-production method over the shorter of the estimated economic life of the asset or mineral property. The method of depreciation is determined based on that which best represents the use of the assets.

The reserve and resource estimates for each operation are the prime determinants of the life of a mine. In general, a mineralized deposit where the mineralization is reasonably well defined is amortized over its proven and probable mineral reserves. Non-reserve material may be included in the depreciation calculations in limited circumstances where there is a high degree of confidence in economic extraction. The expected economic life of these mines is dependent upon, among other things, the estimated remaining ore; gold, copper and silver prices; cash operating costs and capital expenditures.

The Company assesses each mine development project to determine when a mine is substantially complete and ready for its intended use and has advanced to the production stage. In its assessment, the Company considers relevant criteria based on the nature of each project, including the completion of a reasonable period of testing of mine plant and equipment, the ability to produce materials in saleable form (within specifications) and the ability to sustain ongoing production of minerals. When a mine development project moves into the production stage, the capitalization of certain mine construction costs ceases and costs are either capitalized to inventory or expensed, except for sustaining capital costs and underground mine or reserve development, which are capitalized to property, plant and equipment.

Decommissioning Liabilities

Decommissioning liabilities relate to the dismantling of the mine facilities and environmental reclamation of the areas affected by mining operations. Mine facilities include structures and the tailings dam. Environmental reclamation requirements include mine water treatment, reforestation and dealing with soil contamination. It is possible that the Company's estimates of the ultimate amounts required to decommission its mines could change as a result of changes in regulations, the extent of environmental remediation required, the means of reclamation, cost estimates or the estimated remaining ore reserves. The following table sets out the Company's estimates, prepared by management with the assistance of independent third-party experts, of the undiscounted and discounted cash flows required to settle such decommissioning liabilities in respect of Orovalle and EMIPA at June 30, 2022.

As at June 30, 2022	Undiscounted Cash Flows Required to Settle Decommissioning Liabilities			Discounted Cash Flows Required to Settle Decommissioning Liabilities	
			Discount Rate		
<i>In 000's</i>					
	El Valle (1)	\$	16,769	1.25%	\$ 15,224
	Don Mario (1)		8,334	3.70%	\$ 6,675
	Total	\$	25,103		\$ 21,899

(1) The discount rate used to measure decommissioning liabilities is based on current interest rates of government bonds of the applicable country and of term that matches the time period to the commencement of the decommissioning liability being incurred.

Stock-based compensation

During the nine-month ended June 30, 2022, the Company recognized stock-based compensation expense of \$nil (September 30, 2021 – \$nil). The stock-based compensation expense is based on an estimate of the fair value of stock options issued and expensed over the vesting period. The accounting for stock options requires estimates of interest rates, life of options, stock price volatility and the application of the Black-Scholes option pricing model.

Long-term Compensation

The Company established a Deferred Share Unit (“DSU”) plan, effectively a phantom stock plan, for directors, effective October 1, 2008. For grants subsequent to December 1, 2015, the fair value of the units issued is expensed over the fiscal year in which they are issued and is included in long-term compensation expense under general and administrative expenses in the statement of income. The fair value of the DSUs are marked to the quoted market price of Common Shares at each reporting date and changes in their fair value are also recorded under general and administrative expenses. Payouts are settled in cash within a specified period following a director's departure, based on the market price of the Common Shares at exercise.

The Company established a Restricted Share Unit (“RSU”) plan, effectively a phantom stock plan, for designated executives, effective October 1, 2008. The initial fair value of units issued is expensed and is included in long-term compensation expense under general and administrative expenses in the statement of income. The fair value of the RSUs are marked to the quoted market price of the Common Shares at each reporting date and changes in their fair value are recorded under general and administrative expenses. Payouts are settled in cash after a specified period of vesting, based on the market price of the Common Shares at vesting.

The Company established a Share Appreciation Rights (“SAR”) plan for designated executives, effective in respect of fiscal 2013. Unless otherwise determined by the directors of the Company, designated participants are granted SARs in such number equal to two times the number of RSUs granted to such participant in respect of compensation for a particular fiscal year. The Initial Fair Market Value as defined in the SAR plan is determined based on the closing price of the Common Shares on the date of grant. The fair value of the SARs are measured using an option pricing model at each period end, and to the extent that employees have rendered services over a three year vesting period, an expense is recorded under general and administrative expenses in the statement of net income over such vesting period. Vested SARs may be exercised provided there has been an appreciation in the

market price of the Common Shares from the Initial Fair Market Value on the grant date and payouts are settled in cash as vested SARs are exercised.

Impairment

The Company assesses the carrying values of each cash-generating unit (“CGU”) at each reporting period end date to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made which is considered to be the higher of the fair value less costs to sell (“FVLCS”) or value-in-use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, the resale market for certain property, plant and equipment of the Company and operating performance. Fair value under FVLCS is determined as the amount that would be obtained from the sale, less costs, of the asset in an arm’s length transaction between knowledgeable and willing parties. When observable market prices are not available for the asset, value-in-use for mineral properties is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that are specific to the Company’s circumstances with respect to each CGU. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Management of the Company has assessed its CGUs to be geographic units (Orovalle, EMIPA and Orvana Argentina), which are the lowest level for which cash inflows and outflows are expected to be largely independent of those of other assets. Management projected cash flows over the remaining life-of-mine in respect of each CGU using forecasted production and costs per the current life-of-mine plans and the long-term forecasted price of gold, copper and silver to project future revenues. The key assumptions used in making this assessment at June 30, 2022 included commodity prices, operating costs, capital expenditures, foreign exchange rates and discount rates.

Although the total public market capitalization of the Company was below the carrying amount of Orvana’s net assets at June 30, 2022 of \$78 million, following the completion of an impairment test in respect of each CGU at the end of the first nine months of fiscal 2022, the Company estimated that the net recoverable amounts are greater than the carrying values of such assets based on the Company’s current life-of-mine plans and the assumptions set out above at June 30, 2022. As such, there was no impairment of such carrying values as at June 30, 2022.

In light of a continued volatile metal price environment, and notwithstanding that the Company concluded that there was no impairment of carrying values at the end of third quarter of fiscal 2022, there can be no assurances that an impairment adjustment may not be taken at either or both CGUs in future periods.

Gold prices

The net loss of \$7.3 million for the first nine months of fiscal 2022 would be impacted by changes in average realized gold prices on gold ounces sold. A 10% increase/decrease in average realized gold prices would affect the gross revenue by an increase/decrease of approximately \$5.8 million.

Copper prices

The net loss of \$7.3 million for the first nine months of fiscal 2022 would be impacted by changes in average realized copper prices. A 10% increase/decrease in average realized copper prices would affect gross revenue by an increase/decrease of approximately \$1.5 million.

Internal Controls over Financial Reporting and Disclosure Controls and Procedures

Management is responsible for the design and effectiveness of disclosure controls and procedures (“DC&P”) and the design of internal control over financial reporting (“ICFR”) to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, is made known to the Company’s certifying officers. The Company uses the *Internal Control – Integrated Framework* (COSO Framework) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) to design its ICFR. Based on a review of internal control procedures at the end of the period covered by this MD&A, management believes its internal controls and procedures are appropriately designed as at June 30, 2022.

There were no significant changes in the Company's internal controls or in other factors that could significantly affect those controls subsequent to the date the Chief Executive Officer and Chief Financial Officer completed their evaluation, nor were there any significant deficiencies or material weaknesses in the Company's internal controls requiring material corrective actions.

Management of the Company was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues, errors and instances of fraud, if any, have been detected and that all of the objectives of the internal controls over financial reporting have been achieved or will be achieved in the future.

Non-IFRS Measures

Gold equivalent ounces (GEO)

Gold equivalent ounces, or GEO, is calculated by converting the production of silver and copper into gold using a ratio of the prices of these metals to that of gold and then adding the result to the gold production. The prices used to calculate the ratio are based on the average market prices of silver and copper during the period of reference.

COC, AISC and AIC

The Company, in conjunction with an initiative undertaken within the gold mining industry, began reporting COC, AISC and AIC non-IFRS performance measures as set out in the guidance note released by the World Gold Council in June 2013. The Company believes that these performance measures more fully define the total costs associated with producing gold, copper and silver, however, these performance measures have no standardized meaning. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

COC include total production cash costs incurred at the Company's mining operations, which form the basis of the Company's cash costs. AISC includes COC plus sustaining capital expenditures, corporate administrative expenses, costs of community relations, exploration and evaluation costs and reclamation cost accretion. The Company believes that this measure represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information relating to the Company's operational performance and ability to generate cash flows. As the measure seeks to reflect the full cost of gold production from current operations, new project capital is not included in AISC. AIC represents AISC plus non-sustaining capital expenditures and non-sustaining exploration. Certain other cash expenditures including tax payments, debt payments, dividends and financing costs are also not included in the calculation of AIC. The Company reports these measures on a gold ounces sold basis.

Orvana Consolidated	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Cash operating costs, all-in sustaining costs and all-in costs (by-product)⁽¹⁾ (in 000's)					
Total mining costs (sales based)	\$17,873	\$23,163	\$22,516	\$60,774	\$55,053
Deductions, refining, treatment, penalties, freight & other costs	1,935	1,358	2,655	5,727	7,459
Sub-total - other operating costs	\$1,935	\$1,358	\$2,655	\$5,727	\$7,459
Copper sales - gross revenue value	(3,401)	(4,529)	(8,171)	(15,012)	(20,632)
Silver sales - gross revenue value	(651)	(689)	(1,338)	(2,480)	(3,347)
Other by-product gross revenue value	-	-	0	-	0
Sub-total by-product revenue	(\$4,052)	(\$5,218)	(\$9,509)	(\$17,492)	(\$23,979)
Cash operating costs	\$15,756	\$19,303	\$15,662	\$49,009	\$38,533
Corporate general & administrative costs	(1,530)	1,537	2,791	871	6,041
Community costs (current operations)	35	36	(17)	107	234
Reclamation, accretion & amortization	359	317	299	1,023	862
Exploration and study costs (sustaining)	0	0	0	(29)	0
Primary development (sustaining)	1,567	1,308	1,593	4,355	4,261
Other sustaining capital expenditures ^{(2) (3)}	1,378	1,035	1,862	3,772	5,073
All-in sustaining costs	\$17,565	\$23,536	\$22,190	\$59,108	\$55,004
Exploration and study costs (non-sustaining)	549	333	1,586	1,907	3,395
Capital exploration (non-sustaining)	1,611	2,210	334	3,821	752
Capital expenditures (non-sustaining) ⁽³⁾	764	444	0	1,645	0
All-in costs	\$20,489	\$26,523	\$24,110	\$66,481	\$59,151
Au/oz sold	8,980	9,199	14,520	29,619	35,128
Cash operating costs (\$/oz) gold	\$1,754	\$2,099	\$1,079	\$1,655	\$1,097
All-in sustaining costs (\$/oz) gold	\$1,956	\$2,559	\$1,528	\$1,996	\$1,566
All-in costs (\$/oz) gold	\$2,282	\$2,883	\$1,661	\$2,245	\$1,684

(1) Costs are reported per ounce of gold sold in the period.

(2) Sustaining capital expenditures are those expenditures which do not increase annual gold ounce production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature.

(3) Capital expenditures include unpaid capital expenditures incurred in the period.

The following table provides a reconciliation of COC, AISC and AIC (by-product) per ounce of gold sold for Orovalle for the periods set out below:

Orovalle	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Cash operating costs, all-in sustaining costs and all-in costs (by-product) ⁽¹⁾ <i>(in 000's)</i>					
Total mining costs	\$16,979	\$22,096	\$20,941	\$57,905	\$51,222
Deductions, refining, treatment, penalties, freight & other costs	1,935	1,358	2,655	5,727	7,459
Sub-total - other operating costs	\$1,935	\$1,358	\$2,655	\$5,727	\$7,459
Copper sales - gross revenue value	(3,401)	(4,529)	(8,171)	(15,012)	(20,632)
Silver sales - gross revenue value	(651)	(689)	(1,338)	(2,480)	(3,347)
Sub-total by-product revenue	(\$4,052)	(\$5,218)	(\$9,509)	(\$17,492)	(\$23,979)
Cash operating costs	\$14,862	\$18,236	\$14,087	\$46,140	\$34,702
Corporate general & administrative costs	375	375	375	1,125	1,125
Community costs (current operations)	0	0	248	0	297
Reclamation, accretion & amortization	300	256	238	842	676
Primary development (sustaining)	1,567	1,308	1,593	4,355	4,261
Other sustaining capital expenditures ^{(2) (3)}	1,362	1,034	1,849	3,754	5,008
All-in sustaining costs	\$18,466	\$21,209	\$18,390	\$56,216	\$46,069
Exploration and study costs (non-sustaining)	191	220	21	562	209
All-in costs	\$18,657	\$21,429	\$18,411	\$56,778	\$46,278
Au/oz sold	8,980	9,199	14,520	29,619	35,128
Cash operating costs (\$/oz) gold	\$1,655	\$1,983	\$970	\$1,558	\$988
All-in sustaining costs (\$/oz) gold	\$2,056	\$2,306	\$1,267	\$1,898	\$1,311
All-in costs (\$/oz) gold	\$2,078	\$2,330	\$1,268	\$1,917	\$1,317

(1) Costs are reported per ounce of gold sold in the period.

(2) Sustaining capital expenditures are those expenditures which do not increase annual gold ounce production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature.

(3) Capital expenditures include unpaid capital expenditures incurred in the period.

EBITDA

The Company has included Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") as a non-IFRS performance measure in this MD&A. The Company excludes these items from net loss to provide a measure which allows the Company and investors to evaluate the results of the underlying core operations of the Company and its ability to generate cash flows. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The following table provides a reconciliation of EBITDA to the Company's consolidated financial statement for their respective periods:

<i>(in 000's)</i>	Q3 2022	Q2 2022	Q3 2021	YTD 2022	YTD 2021
Net income (loss)	(\$1,816)	(\$5,840)	(\$877)	(\$7,251)	\$224
Less:					
Finance costs	(289)	(523)	(319)	(1,035)	(998)
Income taxes	673	1,171	(1,400)	1,320	(2,638)
Depreciation and amortization	(3,874)	(3,748)	(5,143)	(11,618)	(12,090)
EBITDA	\$1,674	(\$2,740)	\$5,985	\$4,082	\$15,950

Other Information

Other operating and financial information with respect to the Company, including the AIF, is available on SEDAR at www.sedar.com and on the Company's website at www.orvana.com.

Cautionary Statements – Forward-Looking Information

Certain statements in this MD&A constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (“forward-looking statements”). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as “believes”, “expects”, “plans”, “estimates” or “intends” or stating that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “are projected to” be taken or achieved) are not statements of historical fact, but are forward-looking statements.

The forward-looking statements herein relate to, among other things, Orvana’s ability to achieve improvement in free cash flow; the ability to maintain expected mining rates and expected throughput rates at El Valle plant; the potential to extend the mine life of El Valle and Don Mario beyond their current life-of-mine estimates including specifically, but not limited to in the case of Don Mario, the processing of the mineral stockpiles and the reprocessing of the tailings material; Orvana’s ability to optimize its assets to deliver shareholder value; the Company’s ability to optimize productivity at Don Mario and El Valle; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; future financial performance, including the ability to increase cash flow and profits; and future financing requirements and mine development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this MD&A, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at El Valle and Don Mario being consistent with the Company’s current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations; certain price assumptions for gold, copper and silver; prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; the accuracy of the Company’s current mineral reserve and mineral resource estimates; labour and materials costs increasing on a basis consistent with Orvana’s current expectations; and the availability of necessary funds to execute the Company’s plan. Without limiting the generality of the foregoing, this MD&A also contains certain “forward-looking statements” within the meaning of applicable securities legislation, including, without limitation, statements with respect to the results of the Company’s exploration activities, including but not limited to drilling results and analyses, the mineral resource estimation, conceptual mine plan and operations, internal rate of return, sensitivities, taxes, net present value, potential recoveries, design parameters, operating costs, capital costs, production data and economic potential; the timing and costs for production decisions; permitting timelines and requirements; exploration and planned exploration programs; the potential for discovery of additional mineral resources; timing for completion of a feasibility study; timing for first gold production at Taguas; identifying additional resources beyond the replenishment of annual depletion rates at El Valle for the extension of mine life; issuing an expanded resource PEA for Taguas in a timely manner; completion of the infill drilling program at Taguas; making a decision on the oxides stockpile at Don Mario in a timely manner; and the Company’s general objectives and strategies.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company’s control, affect the operations, performance and results of the Company and its business, and could cause actual events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include the potential impact of the COVID-19 on the Company’s business and operations, including: our ability to continue operations; our ability to manage challenges presented by COVID-19; the accounting treatment of COVID-19 related matters; Orvana’s ability to prevent and/or mitigate the impact of COVID-19 and other infectious diseases at or near our mines; the Company’s ability to support the sustainability of its business including through the development of crisis management plans, increasing stock levels for key

supplies, monitoring of guidance from the medical community, and engagement with local communities and authorities; the general economic, political and social impacts of the continuing conflict between Russia and Ukraine, our ability to support the sustainability of our business including through the development of crisis management plans, increasing stock levels for key supplies, monitoring of guidance from the medical community, and engagement with local communities and authorities; fluctuations in the price of gold, silver and copper; the need to recalculate estimates of resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its mining operations; risks generally associated with mineral exploration and development, including the Company's ability to continue to operate the El Valle and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to successfully implement a sulphidization circuit and ancillary facilities to process the current oxides stockpiles at Don Mario; the Company's ability to successfully carry out development plans at Taguas; sufficient funding to carry out development plans at Taguas and to process the oxides stockpiles at Don Mario and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to execute on its strategy; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in the countries in which the Company operates; general economic conditions worldwide, including fluctuating operational cost, such as, but not limited to, power supply cost and evolving inflation rates; current and future environmental matters; and the risks identified in the Company's AIF under the heading "Risks and Uncertainties". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's AIF for a description of additional risk factors.

The forward-looking statements made in this MD&A with respect to the anticipated development and exploration of the Company's mineral projects are intended to provide an overview of management's expectations with respect to certain future activities of the Company and may not be appropriate for other purposes.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

Cautionary Notes to Investors – Reserve and Resource Estimates

In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of the Company disclosed in this MD&A have been prepared in accordance with NI 43-101, and classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered.