

ALTIPLANO METALS INC.

(the “Company” or “Altiplano”)

Form 51-102F1

MANAGEMENT’S DISCUSSION and ANALYSIS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

The following Management’s Discussion and Analysis (“MD&A”) supplements, but does not form part of, the unaudited consolidated condensed interim financial statements of the Company and the notes thereto for the nine months ended September 30, 2023 (the “Financial Statements”). Consequently, the following discussion and analysis of the results of operations and financial condition of Altiplano should be read in conjunction with the Financial Statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). All amounts are stated in Canadian dollars unless otherwise indicated. The reader should be aware that historical results are not necessarily indicative of future performance. This MD&A has been prepared based on information known to management as of November 29, 2023.

Forward-Looking Statements

Certain statements contained in the following MD&A and elsewhere constitute forward-looking statements. Such forward-looking statements involve several known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below. The Company assumes no obligation to update or revise forward looking statements to reflect new events or circumstances except as required by law.

Altiplano’s operating asset, Farellon, is relying upon past production records, underground sampling and related activities and current diamond drilling to estimate grade and widths of the mineralization to reactivate production. The Farellon mine was previously in production dating back to the 1970’s with a reported historical production (to a depth of 70 m) yielding approximately 300,000 tonnes at an average grade of 2.5% copper and 0.5g/t gold. This material was processed locally and sold to ENAMI. The decision to re-commence production on the Farellon deposit is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and there is increased uncertainty and economic and technical risks of failure associated with reactivating production.

The MDA may contain historical exploration data that have not been verified by Altiplano Metals Inc. and may not be accurate or complete, and therefore the information should not be relied upon. A qualified person has not done sufficient work to classify any historical estimates as current mineral resources or mineral reserves and the issuer is not treating the historical estimates as current mineral resources or mineral reserves.

Description of Business

Altiplano Metals Inc. (APN: TSXV) is a TSX Venture listed Tier 2 junior resource company and reporting issuer in the provinces of Alberta and British Columbia. The Company’s shares are also listed for trading on the OTC Pink Market, in the United States, under the trading symbol “ALTPF” and on the Tradegate Exchange, in Europe, under the trading symbol “WKN: A2JNFG”. The Company is focused on evaluating and acquiring exploration projects with significant potential for advancement from discovery through to production. Management has a successful track record of investing in undervalued assets, adding value through technical and market expertise; and delivering returns to shareholders.

Offtake agreement and loan facility

On April 18, 2023, the Company entered into a concentrate offtake and loan agreement (the “Offtake Agreement”) with ArrowMetals Asia Pte. Ltd. (“ArrowMetals”).

Pursuant to the Offtake Agreement, Altiplano will sell copper concentrates produced at the El Peñón processing facility located 15 km from the Farellon Iron-Oxide-Copper-Gold mine in Chile, on an exclusive basis to ArrowMetals until December 31, 2025, and the agreement may be further extended. Pursuant to a Term Loan Facility Agreement dated April 18, 2023 (the “Facility”), ArrowMetals has also agreed to make available to Altiplano up to USD\$1.5 million as a loan facility, which will be repaid by delivery of such concentrates. The Facility will be by way of multiple drawdowns on request of Altiplano, with the first drawdown being for USD\$500,000 (CAD 672,250), which will be repaid with interest in monthly instalments, against Altiplano’s future shipments of concentrates over an agreed 12-month schedule.

Under the Offtake Agreement, Altiplano will ship the concentrates at the rate of 300 DMT per month during the term of the Offtake Agreement, until a minimum quantity of 10,000 DMT has been delivered. Provided certain conditions are met for metal content, ArrowMetals will pay 90% of the concentrate value based of the copper and gold content in the delivery month. Pricing will be established either one month after delivery or four months after delivery, as may be declared prior to delivery, less treatment, refining, shipping and insurance charges. Final settlement will take place within 3 months. Interest will be charged on the loaned amount due to ArrowMetals from time to time at a rate of SOFR plus 4.70%.

Financings completed.

On August 29, 2023, the Company completed a non-brokered private placement 2,000,000 units for proceeds of \$200,000. Each Unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders’ fees of \$11,000 and issued 110,000 finders’ warrants. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.12 per share.

On May 18, 2023, The Company completed a private placement of 3,810,000 unites for gross proceeds of \$381,000. Each unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders’ fees of \$15,060 and issued 141,600 finders warrants. Each warrant is exercisable to acquire one additional common share at \$0.12 per share until two years from issuance.

On October 14, 2022, the Company completed a private placement of 4,620,000 units for gross proceeds of \$924,000. Each unit consists of one common share and one-half warrant. The Company also paid finders’ fees of \$3,890 and issued 19,450 finders warrants to certain arm’s length finders. Each warrant is exercisable to acquire one additional common share at \$0.30 per share until two years from issuance.

Warrant extension

The Company amended the terms of 9,285,716 outstanding warrants of the Company set to expire October 16, 2022. The Company extended the expiry date for all the Warrants by one year to October 16, 2023. All other terms of the warrants remain the same.

Recent activity

Saint Beatriz

On June 14, 2023, the Company entered into an agreement for the potential acquisition of the Saint Beatriz Project. Located two kilometers (km) from the Company's existing operation at the Farellon near La Serena, Chile. Under the terms of the agreement the Company paid \$6,649 (USD 5,000) to retain a 3-month exclusivity period to complete due diligence on the Santa Beatriz Project. At the end of this period Altiplano can rent the mine for USD 4,350/month and provide the owner with a 15% share in net profits after expenses. During the first 12 months of the option, APN can purchase the mine with no underlying royalty for a one-time cash payment of USD 440,000 or extend the option.

Copper, gold, and iron mineralized material at the Santa Beatriz Project is similar to what is currently extracted at Farellon and is expected to be suitable material for processing at the Company's mill and processing facility, El Peñón, located ~15 km from the mine.

Farellon

The Company extracted a total of 8,116 tonnes of mineralized Cu-Au material and processed 7,152 tonnes during Q3 2023 at Farellon. This represents a 2% and 9% reduction respectively from the Q2 production and processing figures. Copper grade remains constructive with recovery at 1.72% in Q3, down slightly by 2% from the previous quarter. Waste removal decreased by 22% to 2,556 tonnes in 2023 thus providing improved operational returns. Sales of 263,232 pounds of copper in 2023 Q3 generated approximately US\$639,458 in revenue (after processing costs), a decrease of 14% over the Q2 revenue figure, impacted by lower sales and a weaker copper market in the previous quarter.

Since Q1 2018, Altiplano has generated over US\$13.5 million from the recovery and sale (after processing costs) of more than 5.9 million pounds of copper with an average grade of 1.8% Cu (2018 Q1-2023 Q3). Cash flow has been re-invested into equipment, underground drilling, expanding underground development at Farellon, enhancing ventilation to increase productivity and capacity, new underground development and exploration, and the start-up of the El Peñón fit-for-purpose mill and flotation plant located 15 km from the Farellon site.

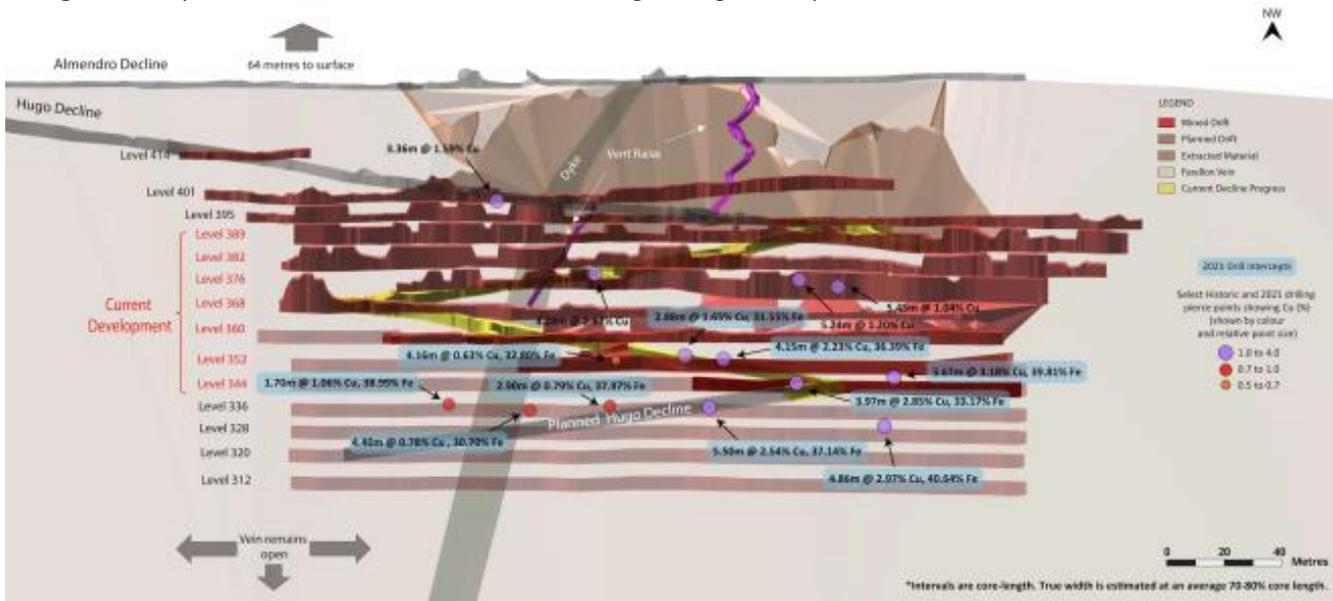
Underground Mining Activity

Mining during the third quarter focused on the extension of the Hugo decline to the 336 m level where 2,270 tonnes were extracted as production began in mid Q3. High grade copper values are observed in the 336 m operating level with initial sales returning >2% copper from the material shipped and sold. Extraction of mineralized material continued at the 344 m level where a total of 4,925 tonnes were extracted from the mine. Mining was completed on 352 m level in the NE direction where 826 tonnes were extracted. Extension of the Hugo Decline to the 328 m level is planned to begin in Q4 2023.

Q2 2023 activity at Farellon was focused on the continuation of mining at level the 352 m level in the NE and SW directions. Bench mining was initiated on the 360 m level between the 368 m and 360 m levels. Mining on the 344 m level continued in the SW and NE levels where most of the mineralized material (4,939 tons) was extracted during the quarter. The advance of the main decline continued towards level 336 where a total development of 25 m was completed by the end of June. The 336 m operational level is expected to be reached in mid-August providing additional working faces to the NE and SW and access to levels above for bench mining.

Mining activity in Q1 2023 was focused on the extraction of copper and gold material from the 344 m and 352 m north levels where grades in the NE section produced copper grades above 1.9%. In this area of extraction, the IOCG vein maintained an average width of 4.5 meters, ideal for minimizing dilution. Bench mining continued between the 360 m and 352 m levels in the NE section of the mine. Bench mining was also conducted at the 344 m south level using the Jumbo machinery to improve efficiencies. Mining was reactivated at level 352 m South level in anticipation of shipping this material to the El Peñón processing facility. Development work on the Hugo Decline has begun to reach the intersection of the new 336m level.

Figure 1: Simplified section of the Farellon vein showing underground operations as of June 30, 2023:



The decision to commence production on the Farellon deposit is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and there is increased uncertainty and economic and technical risks of failure associated with the production decision.

The Farellon mine was previously in production dating back to the 1970's with a reported historical production (to a depth of 70 m) yielding approximately 300,000 tonnes at an average grade of 2.5% copper and 0.5g/t gold. This material was processed locally and sold to ENAMI. Aльтиplano is relying upon past production records, underground sampling and related activities and diamond drilling to estimate grade, widths and tonnage of the mineralization to reactivate production. The decision to commence production on the Farellon deposit is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and there is increased uncertainty and economic and technical risks of failure associated with the production decision.

El Peñón Mill

To support the operation at Farellon, the Company has purchased a previously operating mill and processing facility (the "Plant"). The crushing and grinding equipment and a flotation plant with sufficient capacity to process 5,000 tonnes/month from the Company's Farellon project. The equipment includes the following equipment: primary, secondary, and tertiary crushing, milling, two 5' x 10' ball mills, and a full flotation circuit. Once completed, the Company will be able to save on trucking costs and toll mill fees and will be capable of producing a high-grade copper concentrate available for sale in the local and international markets.

The Company signed two lease agreements for land where the Plant will be located (the "Mill Site"). One of these land packages was purchased in April 2023. The second remains on lease and is expected to be purchased in October 2023. This Mill Site is approximately 15 kms from the Farellon project and hosts power, water and transportation infrastructure to support the Plant. In preparation for the construction of the Plant, the Company completed the civil work required, which involved pouring of cement foundations and flooring for the plant and concrete supports for the mill and crushers, installation of electrical lines, preparation for waterlines and the construction of a security perimeter fence.

During the year ended December 31, 2021, the Company's permitting application was approved by the Chilean mining authority SERNAGEOMIM to complete the construction of the 5,000 tonne/month processing facility located 15 kms from Farellon. With this approval, the Company began construction and assembly of the plant. The plant will host crushing and grinding equipment and a full flotation plant with sufficient capacity to process up to 5,000 tonnes/month of copper-gold feed from the Company's Farellon mine. In addition, the circuit will contain a dewatering facility which will produce a dry tailing product eliminating the need to construct a conventional tailing dam. A magnetic separation unit will be installed to recover magnetic iron which is expected to create a secondary revenue stream through sales of 62% iron concentrate and reduce tailings emissions.

During Q3 2023, the Company completed the commissioning stage of the processing plant and is working to enhance productivity and optimize concentrate production, adjustments are being made in the crushing, milling, and flotation circuits. Designs have been finalized and the work has begun to focus on improving performance of these systems and to adapt to the specific mineralogy of the copper-gold-iron material produced at Farellon. These adjustments will better integrate the copper-gold concentrate production circuit with the iron separation and filter press systems that are designed to reduce water consumption and tailings output. This work includes gearing adjustments for the two ball mills, replacing reducers for the flotation cells and upgrading hydro-cyclones to improve the classification of material from the ball mill discharge to the flotation cells. Testing of the filter press systems for the tailings and the production of copper-gold concentrate and iron concentrate, through the magnetic drums and filter systems, have all performed to specifications. Sales of copper/gold concentrates are expected in the later part of Q4.

Processing at the Company's state of the art El Peñón facility is expected to significantly reduce operating, processing and transportation costs while focusing on the positive environmental impacts of using a dry stack tailings dewatering system expected to reduce water consumption by 75% and also eliminate the need for a conventional tailings dam. In full operation, the processing facility is also expected to reduce tailings output by 40% by capturing ~1,850 tonnes of >61% magnetic iron which can be sold as a secondary income stream.

Figure 2: Mill Construction





Saint Beatriz

The Company has initiated technical due diligence on the Santa Beatriz Copper-Gold mine and confirms similarities to the Farellon mine in mineralization, lithology, and structural trends. The Santa Beatriz Mine is located only 2 kilometres (km) by road from the existing operation at the Farellon Copper-Gold Mine near La Serena, Chile. Farellon and Santa Beatriz are situated in the north/northeast trending 1,000-kilometre Atacama Fault zone within Chile's copper-rich iron oxide copper-gold (IOCG) belt, this area is associated with several significant deposits. Farellon and Santa Beatriz have the potential to be part of a larger IOCG system.

Highlights

- Mineralized material at Santa Beatriz offers ideal potential for processing at the Company's El Peñón facility located ~18 kilometres to the north.
- IOCG-type veins at Farellon and Santa Beatriz share similar mineral characteristics and exhibit a consistent northeast orientation, indicating the possibility that both projects could be part of a larger system.
- Copper and gold mineralization within the vein structures at both Farellon and Santa Beatriz host excellent potential to develop a high-grade copper and iron resource with associated gold.
- The Santa Beatriz Mine is permitted for ~ 2,000 tons per month of production by the Chilean mining authority SERNAGEOMIN (Servicio Nacional de Geología y Minería), with the potential to expand to 5,000 tonnes per month.
- Seven additional mapped IOCG veins on the Santa Beatriz property remain untested.
- The previously mined veins at Santa Beatriz remain open with the potential to intersect at depth.

Exploration Plan

After reviewing and evaluating the existing datasets for Santa Beatriz an initial exploration program has been formulated encompassing activities such as mapping, sampling, and drilling. A surface and underground exploration program commenced in Q3 2023 focusing on mapping and rock sampling at surface and underground. Underground geological mapping was performed in the existing tunnels where channel samples were collected in the exposed vein. This information will be used to support the creation of surface and underground geological maps in addition to the design of an empirical 3D geological model.

Channel sampling and mapping of the veins underground and on the surface will aid in determining grade potential and extent. A 1,300-meter drill program is planned to validate the width and consistency of the veins at depth to determine mineralization and mining potential as the exploration program advances.

A subsequent exploration program will include a detailed ground magnetic survey to examine the potential depth and extent of the additional IOCG veins on the Santa Beatriz project, further drilling of the veins would be required to validate the geophysics. The additional untested veins on the project have the potential to be included in the production of the Santa Beatriz project.

Maria Luisa

The Company completed initial technical work in 2021 to develop an underground exploration and development plan at the historical Maria Luisa gold - copper mine to support an underground exploration and development plan. The technical plan was designed to reach gold-copper mineralized veins through multiple access points on multiple levels through a decline system. The work involved constructing a decline that entered the property at the southwest corner and advanced in a southeast direction for approximately 330 metres to intersect the mineralized zone beneath the historical workings. In this zone, over 600 tonnes were recovered from selective mining between 2013-2015 yielding an average grade of 6.85 grams per tonne (g/t) and 1.89 percent (%) Copper. In addition, historical work utilizing surface and underground sampling and mapping conducted by ENAMI between 1998 and 1999, generated a historical resource that ranges from 200,000 to 400,000 tonnes with a range of grades of 1.5% Cu and 2 g/t Au to 2.5% Cu and 5 g/t Au*.

The design process involves accessing the northwest-southeast trending mineralized Au-Cu veins through crosscuts on 4 separate levels designed to create up to 8 mining faces (Figure 6.). The company reviewed plans to initially extract up to 2,000 tonnes of mineralized gold-copper material in Phase I with future opportunity to expand to 5,000 tonnes.

In Q4 the Company continued its focus on a review of all technical data which included the following work:

- 23 Diamond Drillholes totaling >1800m in 2022
- 192 drillhole samples were assayed for Au and Cu
- Drillhole 22MLDDH012 is a new discovery zone intersecting 10.50 metres (m) of 3.76 grams per tonne (g/t) gold (Au) and 3.83% copper (Cu), including 3.00 m of 2.30 g/t Au and 8.26% Cu, and 4.50 m of 6.03 g/t Au and 2.19% Cu
- >330 metres of the NW-SE trending Maria Luisa Decline
- 79 channel samples assayed for Au and Cu
- A 210 tonnes of bulk sample copper oxide material was mined and shipped for sale from a secondary vein system first exposed in the early stages of the decline development (See news release dated February 14, 2022). Processing of the material returned an average grade of 1.41% copper. Sales of this material generated approximately US\$13,000.
- Extensive surface and bedrock mapping delineating previously know and new vein systems on the property
- High resolution 42 line-km property-wide ground magnetic survey completed (25m spacing)
- Currently two undergraduate students writing their thesis papers on the Maria Luisa project at Universidad Santo Tomas in Santiago, Chile adding additional research on the structure and geophysics on the property.

**Estimation of quantity and grade is conceptual in nature with insufficient work to define a mineral resource, and further exploration may or may not define a resource at Maria Luisa (M. Dufresne, NI 43-101 Technical Report, February 2017). In addition, a decision to commence underground exploration and development at the Maria Luisa site is not based on a feasibility study of mineral reserves demonstrating economic and technical viability and there is increased uncertainty and economic and technical risks of failure associated with this decision.

Figure 3: Plan Map of Maria Luisa

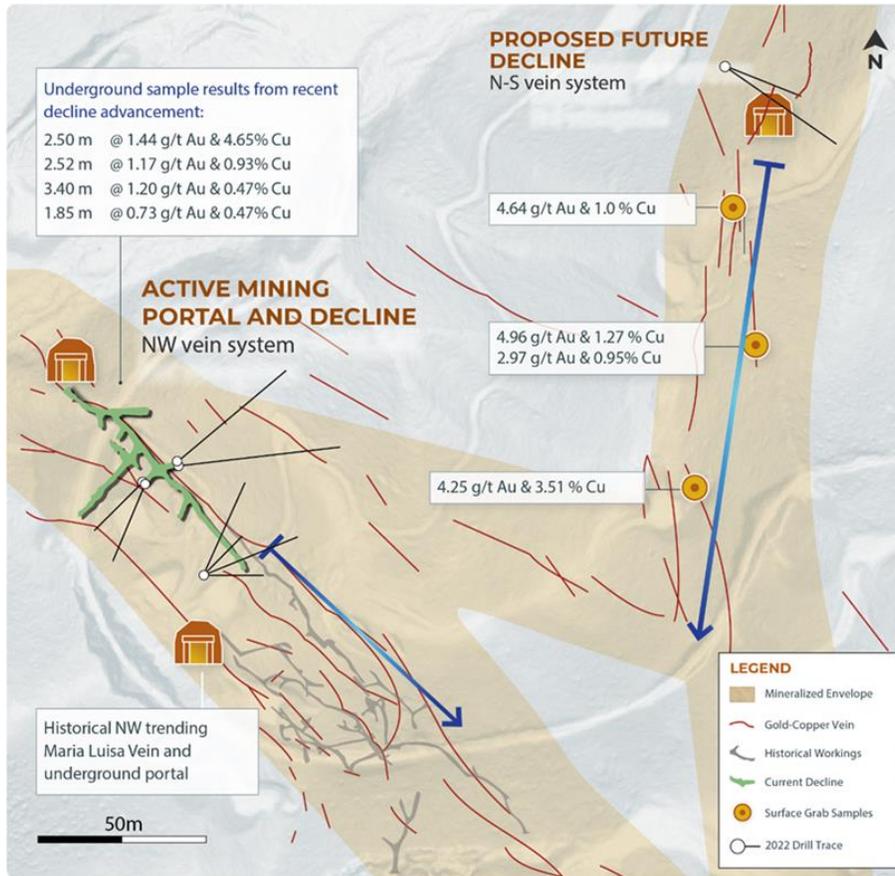


Figure 4: Schematic 3D model of the decline and proposed working levels at Maria Luisa

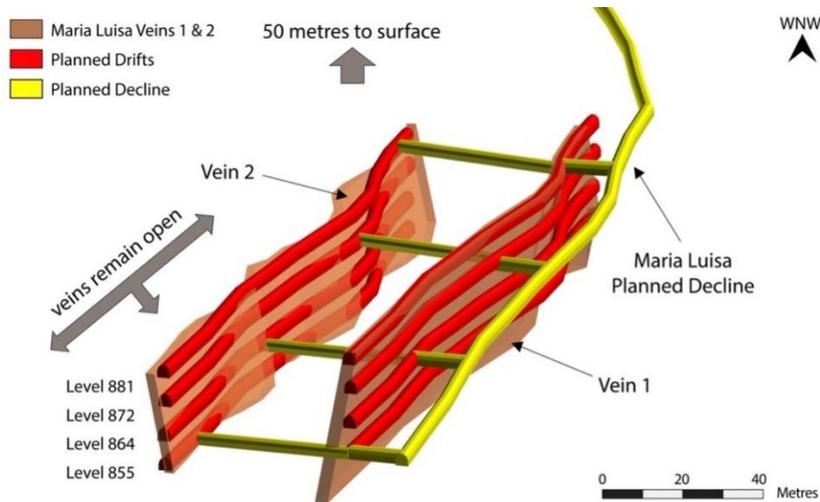
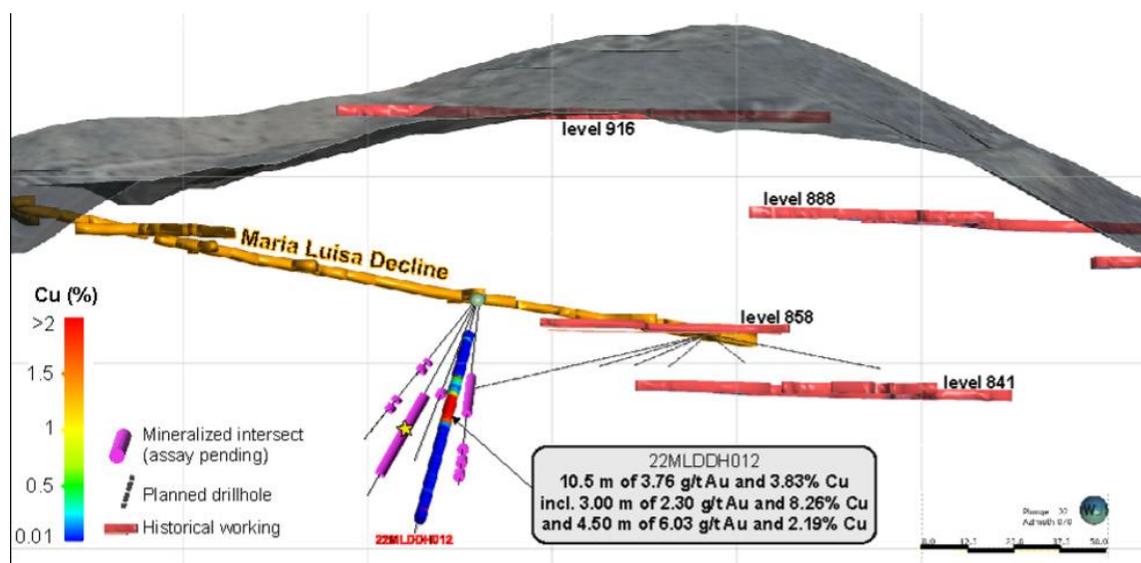


Figure 5: Cross Section view of the decline progress (orange) at Maria Luisa, drill collar and traces, and mapped historically mined underground tunnels (red). The yellow star indicates the approximate depth of the core



Overall, the work conducted, and results achieved at Maria Luisa were encouraging but the Company made the decision in late 2022 to put the Maria Luisa development on hold to concentrate on core operations at Farellon and El Peñón. The review of the technical data did not support additional mine investment and capital costs needed to execute a mining plan at Maria Luisa as an immediate primary target area. The availability of capital and the potential return currently do not warrant immediate development. However, as financial and metals markets improve, the company will review the potential at Maria Luisa with no significant change made in Q3 2023.

Overall Performance

Proceeds from the sale of mineralized material are credited to exploration and evaluation properties as the Company has not yet commenced commercial production. The Company relies on the issuance of common shares to finance exploration and to provide working capital.

Selected Annual Information

The following table summarizes audited financial data for operations reported by the Company for the past three fiscal years:

Fiscal year ended	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020
Current assets (\$)	1,361,459	1,984,421	2,864,864
Capitalized exploration and evaluation expenditures (\$)	7,334,242	6,806,260	6,960,037
Current liabilities (\$)	2,296,811	869,093	1,164,690
Net loss (\$)	(1,562,321)	(2,319,996)	(803,155)
Basic and diluted loss per common share (\$)	(0.01)	(0.02)	(0.01)
Weighted average number of common shares outstanding	114,878,173	108,140,695	77,643,581

Summary of Quarterly Results

The following table summarizes financial data for the eight most recently completed quarters:

Quarter ended	Sep 30 2023	Jun 30 2023	Mar 31 2023	Dec 31 2022	Sep 30 2022	Jun 30 2022	Mar 31 2022	Dec 31 2021
Net loss (\$)	(9,152)	(246,553)	(324,965)	(655,538)	(240,781)	(113,756)	(276,123)	(509,215)
Basic and diluted net loss per common	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)

Results of Operations

Three months ended September 30, 2023

During the three months ended September 30, 2023 (“the current quarter”), the Company incurred a net loss of \$9,152 compared to \$240,781 during the three months ended September 30, 2022 (“2022” or “the comparative quarter”). General and administrative expenses for the current quarter, consisting of management fees, investor relations expenses, regulatory and filing fees, office and administration and professional fees, totaled \$169,535 (2022 - \$158,489). Corporate expenses in the current quarter include the following:

- Office and administrative expenses of \$45,474 (2022 - \$28,416) include office, accounting, and support fees incurred in the current quarter;
- Professional fees of \$18,506 (2022 - \$39,846) were incurred for legal fees pertaining to corporate legal counsel on general matters;
- Investor relations expenses of \$28,644 (2022 - \$24,183) include investor relations consulting, travel and on-line shareholder communication expenses;
- Regulatory and filing fees of \$926 (2022 - \$2,044) include transfer agent expenses and TSXV fees incurred during the current and comparative quarter;
- Management fees of \$67,242 (2022 - \$64,000) include management services rendered in connection with corporate activity and project evaluation;

Partially offsetting the above expenses, the Company received interest income of \$1,621 (2022 - \$1,007). In addition, the Company recorded other expenses of \$28,757 (2022 - nil) and a foreign exchange gain of \$187,519 (2022 - loss of \$83,299).

Other comprehensive loss for the three months ended September 30, 2023 totaled \$684,389 (2022 - \$134,755) and consisted of a loss on foreign exchange of \$675,237 (2022 - \$134,755) arising from the translation of the Company’s foreign operations. Total comprehensive loss for the three months ended September 30, 2023 is the sum of net income or loss and other comprehensive income or loss.

Nine months ended September 30, 2023

During the nine months ended September 30, 2023 (“the current period”), the Company incurred a net loss of \$580,670 compared to \$630,660 during the nine months ended September 30, 2022 (“2022” or “the comparative period”). General and administrative expenses for the current period, consisting of management fees, investor relations expenses, regulatory and filing fees, office and administration and professional fees, totaled \$622,860 (2022 - \$597,273). Corporate expenses in the current quarter include the following:

- Office and administrative expenses of \$83,835 (2022 - \$70,122) include office, accounting, and support fees incurred in the current period;
- Professional fees of \$130,332 (2022 - \$169,149) were incurred for legal fees pertaining to corporate legal counsel on general matters;
- Investor relations expenses of \$154,318 (2022 – \$140,054) include investor relations consulting, travel and on-line shareholder communication expenses;
- Regulatory and filing fees of \$25,741 (2022 - \$25,259) include transfer agent expenses and TSXV fees incurred during the current and comparative period;
- Management fees of \$213,242 (2022 - \$192,689) include management services rendered in connection with corporate activity and project evaluation;

Partially offsetting the above expenses, the Company received interest income of \$4,112 (2022 - \$2,775). In addition, the Company recorded other expenses of \$83,883 (2022 – nil) and a foreign exchange gain of \$121,961 (2022 – loss of \$36,162).

Other comprehensive loss for the nine months ended September 30, 2023 totaled \$1,040,120 (2022 – \$892,016) and consisted of a loss on foreign exchange of \$459,450 (2022 – \$261,356) arising from the translation of the Company’s foreign operations. Total comprehensive loss for the nine months ended September 30, 2023 is the sum of net income or loss and other comprehensive income or loss.

Financial instruments and risk management

Fair value of financial instruments

IFRS requires disclosures about the inputs to fair value measurements for financial assets and liabilities recorded at fair value, including their classification within a hierarchy that prioritizes the inputs to fair value measurement.

The three levels of hierarchy are:

- Level 1 - Quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the asset or liability that are not based on observable market data.

The Company’s cash and cash equivalents and listed equity investments are classified as Level 1, whereas accounts receivable and prepayments, and accounts payable and accrued liabilities are classified as Level 2, and non-listed equity investments are classified as Level 3. As at September 30, 2023, the Company believes that the carrying values of cash, accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

Financial instruments risk

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counter party limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are comprised of three types of risk: currency risk, interest rate risk, other price risk.

Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates relative to their functional currency. The amount of foreign currency held is nominal.

Interest rate risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds no interest-bearing financial liabilities; therefore, interest rate risk is limited to potential decreases on the interest rate offered on cash held with its financial institution. The Company considers this risk to be minimal.

Credit risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company has a significant number of customers which minimizes concentration of credit risk. The Company is exposed to credit risk from customers. In order to reduce its credit risk, the Company deals only with financially sound counterparties and, accordingly, does not anticipate loss for non-performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. All of accounts receivable is current. The amounts disclosed in the balance sheet represent the maximum credit risks. Credit risk that arises from accounts receivable is considered low. The Company's cash is also exposed to credit risk. Cash is held with a major financial institution, consequently, the risk is assessed as low.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company monitors its risk by monitoring the maturity dates of its existing debt and other payables. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

To achieve this objective, the Company regularly monitors working capital positions and updates spending plans as considered necessary. Monthly working capital and expenditure reports are prepared by the Company's finance function and presented to management for review and communication to the Board.

As at September 30, 2023, the Company's working capital deficit was \$1,635,622. The continuing operations of the Company are dependent upon its ability to obtain adequate financing and to commence profitable operations in the future.

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	September 30 2023	December 31 2022
Financial assets at amortized cost:		
Cash	\$ 103,397	\$ 118,758
Accounts receivable	180,338	178,175
Financial assets at FVTPL:		
Investments	208	625
	\$ 283,943	\$ 297,558

Financial liabilities included in the statement of financial position are as follows:

	September 30 2023	December 31 2022
Non-derivative financial liabilities:		
Accounts payable and accrued liabilities	\$ 1,752,302	\$ 1,470,102
Promissory notes	<u>945,507</u>	<u>125,935</u>
	<u>\$ 2,697,809</u>	<u>\$ 1,576,845</u>

Determination of fair value

The statements of financial position carrying amounts for cash, accounts receivable and accounts payable and accrued liabilities approximate fair value due to their short-term nature. Due to the use of subjective judgments and uncertainties in the determination of fair values these values should not be interpreted as being realizable in an immediate settlement of the financial instruments.

Capital Management

In the management of capital, the Company includes components of stockholders' equity. The Company aims to manage its capital resources to ensure financial strength and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity and debt to fund continued growth. The Company sets the amount of capital in proportion to risk and based on the availability of funding sources. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Issuance of equity has been the primary source of capital to date. Additional debt and/or equity financing may be pursued in future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, the Company may issue new shares, take on additional debt or sell assets to reduce debt. There are no external restrictions on the management of capital. There was no change to the Company's approach to capital management during the nine months ended September 30, 2023.

Related party transactions

Unless otherwise noted, related party transactions were incurred in the normal course of operations and are measured at the amount established and agreed upon by the related parties. The Company incurred and paid fees to directors and officers for management and professional services as follows:

For the nine months ended	September 30 2023	September 30 2022
Management fees paid to key management and directors	\$ 213,000	\$ 192,000
Rent paid to corporation controlled by key management	30,150	30,150
Office and admin fees paid to a corporation controlled by key management	<u>36,000</u>	<u>37,000</u>
	<u>\$ 279,150</u>	<u>\$ 259,150</u>

At September 30, 2023, accounts payable and accrued liabilities include \$330,889 (2022 - \$20,179) due to key management, directors of the Company and companies controlled by management or directors for services provided. These amounts are unsecured, non-interest bearing and have no specific terms of repayment.

As at September 30, 2023, \$173,075 is due to directors and officers related to outstanding promissory notes and interest

Liquidity and Capital Resources

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to obtain adequate financing in the future.

Working capital deficit at September 30, 2023 was \$1,635,622 compared to \$935,352 at December 31, 2022. As of the date of this MD&A, the Company has working capital deficit of approximately \$1,800,000.

On August 29, 2023, the Company completed a non-brokered private placement 2,000,000 units for proceeds of \$200,000. Each Unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders' fees of \$11,000 and issued 110,000 finders' warrants. Each Warrant will be exercisable to acquire one additional common share for two years from the closing date at a price of \$0.12 per share.

On May 18, 2023, the Company completed a private placement of 3,810,000 units for gross proceeds of \$381,000. Each unit consists of one common share of the Company, and one warrant of the Company. The Company also paid finders' fees of \$15,060 and issued 141,600 finders warrants. Each warrant is exercisable to acquire one additional common share at \$0.12 per share until two years from issuance.

On October 14, 2022, the Company completed the first tranche of a private placement of 4,620,000 units for gross proceeds of \$924,000. Each unit consists of one common share and one-half warrant. The Company also paid finders' fees of \$3,890 and issued 19,450 agent warrants to certain arm's length finders. Each warrant is exercisable to acquire one additional common share at \$0.30 per share until two years from issuance.

During the nine months ended September 30 2023, the Company issued 200,000 shares for gross proceeds of \$40,000 on exercise of stock options.

Outstanding Share Data

The following table summarizes the Company's outstanding share capital:

	November 29, 2023
Common shares outstanding:	122,333,721
Stock options (weighted average exercise price of \$0.21)	5,960,000
Warrants (weighted average exercise price of \$0.31)	8,395,550
Fully diluted common shares outstanding	136,689,271

Mineral Properties

Farellon

Farellon - Overview

The Farellon copper-gold project is located ~ 40 km south of La Serena, Chile. The project lies within the coastal Iron Oxide Copper Gold (IOCG) belt, which runs for hundreds of kilometres and hosts important IOCG and/or porphyry-type copper-gold deposits such as Andacollo, Mantos Blancos, Candelaria, and Mantos Verde. These deposits, including Farellon, are spatially associated with the Atacama fault system. The Atacama Fault System (AFS) is the most important regional structure of the Coastal Cordillera and likely controlled the emplacement of IOCG and porphyry-type ore deposits and associated magmatic rocks. An independent Technical Report by APEX Geoscience Ltd. (APEX) of Edmonton, Alberta, Canada summarizing the project geology and copper-gold potential was filed on SEDAR in March 2017.

The Farellon project consists of a system of multiple Fe-Cu-Au-veins that strike northeast and dip ~72° to the southeast. The main veins (Farellon, Laura, and Rosario) have been traced in outcrop and underground workings for more than 1.2 km, range in width from 1 to 10 m (~2 m average) and are well mineralized over much of their strike lengths. Historic underground mining has yielded grades on the order of 2.5% copper and 0.5 parts per million (ppm) gold. Currently, there is no National Instrument (NI) 43-101 compliant resources on the property. However, a maiden mineral resource estimate centered only on the Farellon vein reports an inferred mineral resource of 278,360 tonnes at an average grade of 1.92% Cu and 0.12 ppm Au. Based on historic underground mining and recent underground and surface mapping, the Company anticipates similar resources can be expected to be contained in the Laura and Rosario veins.

The Farellon project continues to be explored for copper/gold bearing magnetite veins that have seen historical production at shallow levels. The February 2017 Technical Report on Altiplano's Chilean projects (Dufresne, 2017) recommended a significant work program at the Farellon project that includes drilling, underground sampling, surface surveying (including a UAV survey), underground surveying, geophysical surveying, underground development and bulk sampling, all of which was incorporated into a maiden mineral resource estimation technical report in 2018.

Farellon - Maiden Resource Estimate

Results of the maiden inferred resource estimate by APEX Geoscience Ltd. are reported on Table 2. The estimate is centered on the 395M Level at the Farellon Copper-Gold (Cu-Au) vein and yields 278,360 tonnes at an average grade of 1.92 % Cu and 0.12 ppm Au at a lower cutoff of 1.0 % Cu, utilizing a minimum horizontal width of 1.2 m. The actual average vein width from all sampling is 1.84 m. APN filed a technical report supporting this mineral resource estimate in May 2018. The estimate was done utilizing a total of 403 samples including 173 underground channel samples and 230 diamond drill core samples. Drilling yielded copper grades of up to 9.45 % over 1.14 m core length and channel sampling on the 395M level yielded grades up to 11.9 % Cu over 2.85 m true width.

Table 1: Farellon Maiden Inferred* Mineral Resource Estimate

Lower Cu Cutoff	Volume m ³	Tonnes	Density	Copper (%)	Gold (ppm)
0.50%	92,930	385,640	4.15	1.59	0.11
0.75%	77,560	321,860	4.15	1.78	0.12
1.00%	67,070	278,360	4.15	1.92	0.12
1.25%	49,530	205,560	4.15	2.20	0.12
1.50%	38,290	158,910	4.15	2.44	0.11
1.75%	34,890	144,800	4.15	2.52	0.12
2.00%	31,129	129,190	4.15	2.60	0.12

The estimated mineral resource was produced using inverse distance squared (ID2). The resource is based upon creating a composite file from the individual assays out to the full width of the mineralized portion of the vein including any intervening low-grade samples (resulting in 109 composite samples). Search ellipses were based upon geology and variography. No capping was applied. A block model was created using a 2x2x2 m parent block size and sub-blocking down to 1x1x1 m. Drill core and channel sampling included an appropriate number of standards and blanks. No issues were identified in the QAQC work.

Farellon 2023 Operations

Between July 1st and September 30th, the Company extracted a total 8,116 tonnes of mineralized Cu-Au material at Farellon and processed 7,152 tonnes at an average copper grade of approximately 1.72%. Sales of 263,232 pounds of copper generated approximately US\$639,458 in revenue (after processing costs) a decrease of 14% over 2023 Q2. Total tonnes extracted total tonnes processed and overall grade in Q3 decreased by 2%, 9% and 2% respectively from the previous quarter.

Between April 1st and June 30th, the Company extracted a total 8,315 tonnes of mineralized Cu-Au material at Farellon and processed 7,883 tonnes at an average copper grade of approximately 1.75%. Sales of 294,162 pounds of copper generated approximately US\$422,815 in revenue (after processing costs) a decrease of 22% over 2023 Q1. Total tonnes extracted in Q2 increased and overall grade in Q2 decreased by 8% and 13% respectively from the previous quarter; however total tonnes processed of 7,883, represented a 4% increase from the first quarter 2023.

Between January 1st and March 31st, the Company extracted a total 7,675 tonnes of mineralized Cu-Au material at Farellon and processed 7,584 tonnes at an average copper grade of approximately 1.90%. Sales of 307,104 pounds of copper generated approximately US\$822,765 in revenue (after processing costs) an improvement of 19% over 2022 Q4. Total tonnes extracted and overall grade in Q1 decreased by 32% and 7.3% respectively from the previous quarter; however total tonnes processed of 7,584, represented a 11.5% increase from the fourth quarter. Mined tonnes were lower in Q1 2023 as the Company transitioned from scoop trams to haulage trucks to transport material to surface. This new transportation system will begin to show improvements over the coming months.

Farellon 2022 Operations

Between January 1st and March 31st, the Company extracted a total 10,075 tonnes of mineralized Cu-Au material at Farellon and processed 6,676 tonnes at an average copper grade of approximately 1.99%. Sales of 281,949 pounds of copper generated approximately US\$857,238 in revenue (after processing costs) which represents the highest revenue total to date from Q1 2018. Total tonnes extracted and processed in Q1 decreased by 10% and 8% respectively from the previous quarter; however overall grade, at 1.99%, represents a 15% increase from the fourth quarter. The increase in grade is attributed to accessing higher grade material in the NE sections of the mine in the 376 m, 368 m and 360 m levels with overall grade control and waste management also being a contributor. In addition, the waste removal in Q1 was 1,870 tonnes, a decrease of 43% from the Q4 total of 3,320 tonnes, as focus remains on extraction during Q1.

Between April 1st and June 30th, the Company extracted a total 10,742 tonnes of mineralized Cu-Au material at Farellon and processed 7,488 tonnes at an average copper grade of approximately 1.96%. Sales of 310,062 pounds of copper generated approximately US\$967,685 in revenue (after processing costs) which represents the highest revenue total to date from Q1 2018, beating the previous record posted in Q1 2022. Total tonnes extracted and processed in Q2 increased by 9% and 11% respectively from the previous quarter; however overall grade, at 1.96%, represents a 5% decrease from the fourth quarter. The decrease in grade is attributed to minor dilution observed with bench mining oversize material from the ceilings of previous working levels. In addition, the waste removal in Q2 increased by 45% to 2,725 tonnes, an increase of 45% from the Q1 total of 1,870 tonnes, as a result of the Hugo Decline expansion to the 352 m level.

Between July 1st and September 30th, the Company extracted a total 13,440 tonnes of mineralized Cu-Au material at Farellon. This represents an increase of 25% from Q2 results of 10,742 tonnes with Q3 representing the highest quarterly production since operations began in 2018. Tonnes processed in Q3 represented 7,570 tonnes, up 1% from the previous quarter of 7,488 tonnes. The copper grade recovered was 1.87%, down 4.8% from the previous Q2 result of 1.96%. Waste removal in Q3 decreased by 56% to 1,199 tonnes in Q2 as focus returned to advancing production headings. While Q3 copper sales were generally in line with the previous quarter (down 4% from 310,000), revenues were reduced by 35% based on the effect of copper prices falling to \$3.51/pound compared to the previous Q2 average of \$4.21/pound.

Between October 1st and December 31st, the Company extracted a total 11,340 tonnes of mineralized Cu-Au material at Farellon. This represents a decrease of 15% from the record Q3 results of 13,440 tonnes. Tonnes processed in Q4 represented 6,804 tonnes, down 10% from the previous quarter of 7,570 tonnes. The copper grade recovered was 2.05%, up 10% from the previous Q3 result of 1.87%. Waste removal increased by 18.5% to 1,422 tonnes in Q4 as the decline advanced to the lower 344 levels. Sales of 295,397 pounds of copper generated approximately US\$691,000 in revenue (after processing costs). Q4 copper sales and revenue were in line with the previous quarter supported by higher copper grades.

Farellon Quarterly

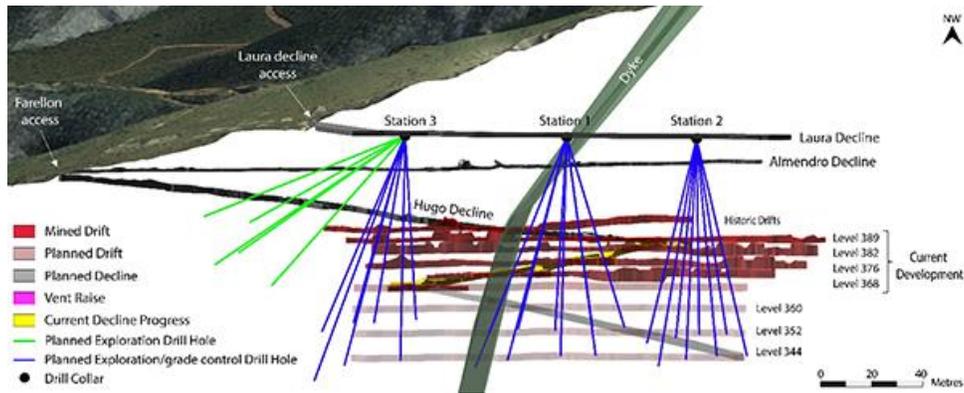
Table 2: Comparative Quarterly Review of Farellon Output

	Mined	Sold/ Processed	Cu Contained	Cu grade	Gross Income
	tonnes	tonnes	pounds	%	USD
Q1 2018	2,520	2,395	94,909	1.85%	\$148,200
Q2 2018	10,269	4,732	118,287	1.25%	\$210,492
Q3 2018	6,298	3,231	109,283	1.58%	\$274,499
Q4 2018	11,365	7,988	272,381	1.60%	\$695,386
Q1 2019	8,075	6,795	233,425	1.61%	\$589,098
Q2 2019	6,935	5,775	229,986	1.87%	\$578,282
Q3 2019	5,643	6,411	318,832	2.33%	\$460,273
Q4 2019	5,968	5,964	238,371	1.86%	\$381,427
Q1 2020	5,557	4,489	188,671	1.97%	\$320,960
Q2 2020	9,075	6,962	310,256	2.09%	\$431,906
Q3 2020	9,660	10,795	460,384	2.00%	\$831,241
Q4 2020	11,685	9,149	322,130	1.68%	\$576,386
Q1 2021	9,770	8,055	257,522	1.53%	\$540,713
Q2 2021	10,090	7,047	220,660	1.49%	\$599,711
Q3 2021	11,624	7,635	221,518	1.38%	\$561,345
Q4 2021	11,189	7,254	267,927	1.75%	\$779,054
Q1 2022	9,843	6,751	295,199	2.06%	\$908,419
Q2 2022	10,742	7,488	310,062	1.96%	\$967,685
Q3 2022	13,440	7,570	297,403	1.87%	\$691,323
Q4 2022	11,340	6,804	295,397	2.05%	\$691,103
Q1 2023	7,675	7,584	307,104	1.90%	\$822,765
Q2 2023	8,315	7,883	294,162	1.75%	\$745,162
Q2 2023	8,116	7,152	263,232	1.72%	\$639,458
	205,194	155,909	5,927,101	1.78%	\$13,444,888

Underground Diamond Drilling 2021:

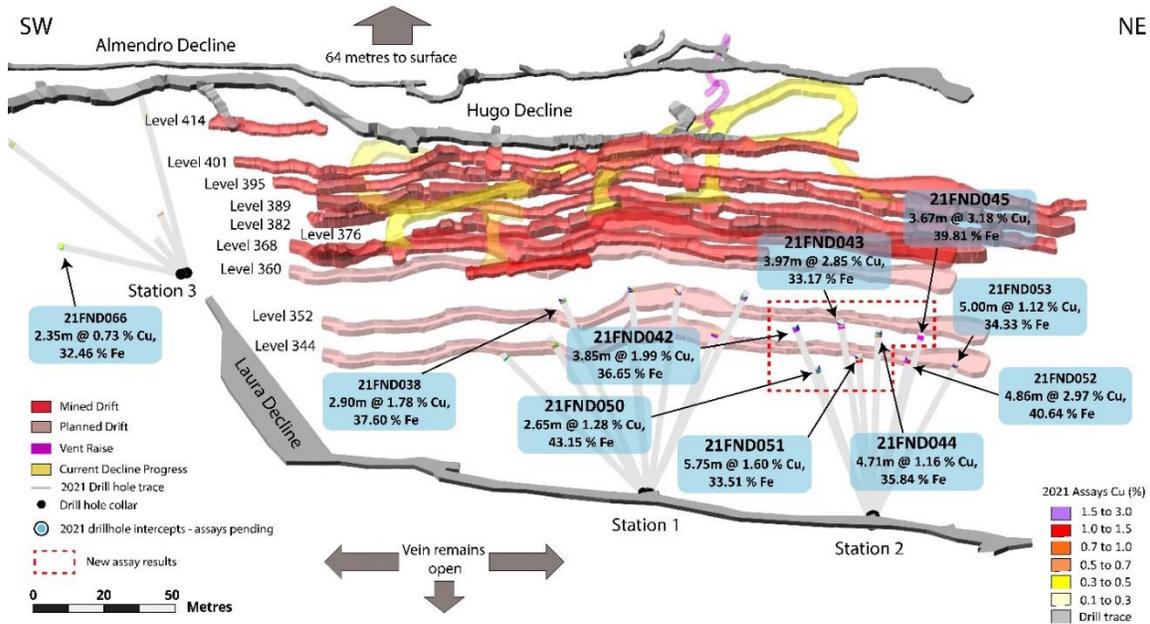
The Company completed an underground and surface drilling campaign at Farellon in late 2021 designed to confirm continuity of the Farellon Iron-Oxide-Copper-Gold system (IOCG) along strike and at depth. Drilling stations were established underground at two positions inside the historical Laura vein system decline located approximately 250 m south of Farellon (Figure 1) and one at surface. These locations provided the opportunity to optimize drilling efficiencies to reach the Farellon vein at greater depth.

Figure 6: Farellon underground development and drill plan.



The results of the drilling confirmed the extension of the Farellon vein system along strike and at depth and provided quality information needed to expand the exploration target of additional copper-gold and iron oxide mineralization to deeper levels. This works supports continuation of the decline advance to lower mineralized areas and provides valuable information to support advanced stope design as the Company pushes to increase the height between mining levels to increase efficiency. In addition, the exploration drilling to the southwest confirmed the continuity of the vein structure providing the opportunity to expand the underground workings and recover new zones of copper-gold and iron oxide material.

Figure 7: Mine section with select drill hole intercepts.



Highlights

- A total of 20 holes have been drilled at Farellon completing the program with a cumulative total of 3,634 metres of drilling. Results are outlined in Table 1.
- All additional holes have intersected the mineralized vein system at depth, observed up to 24 m below the current 360 m operational level and along the NE-SW strike extensions.

- Exploration holes at Drill Station 2 have yielded strong results below the existing workings in the NE section, including new results reported at **3.18% Cu over 3.67 m**, **2.85% Cu over 3.97 m** and **3.24% Cu over 2.68 m**. Previous reported results from this area include **2.97% Cu over 4.86 m** (full assay results are listed in Table 1).
- The drill results further demonstrate the mineralized areas observed in the core are consistent with the mineralized areas of the upper zones of the Farellon vein system that were previously drilled and consistent with results from the ongoing mining operations. Since 2018, the grade at Farellon has averaged 1.74% Cu through the extraction and sales of Cu-Au material.
- Overall, the drill results are excellent and support the potential to increase the amount of mineralized tonnage available for extraction along strike and at depth.
- The El Peñón processing facility, currently in construction, will include an iron separation unit which will provide opportunity to capture significant secondary revenue from the sale of iron in future operations. Altiplano expects to utilize lower grade copper zones in the coming quarters with additional revenue expected from iron recovery.
- In the 20 reported intervals from the completed drill campaign, the average iron content is 35.5%.

Table 3: Farellon Drill results

DDH	FROM (m)	TO (m)	Width*	Fe %	Au ppm	Cu %	Station
21FND038	188.40	191.30	2.90	37.60	0.09	1.78	1
21FND039	187.94	192.10	4.16	32.80	0.04	0.63	1
21FND040	184.82	187.70	2.88	31.55	0.08	1.65	1
21FND041	184.35	188.50	4.15	36.39	0.13	2.23	1
21FND042	189.70	193.55	3.85	36.65	0.09	1.99	2
21FND043	185.82	189.79	3.97	33.17	0.16	2.85	2
21FND044	182.30	187.01	4.71	35.84	0.06	1.16	2
21FND045	180.33	184.00	3.67	39.81	0.15	3.18	2
21FND046	194.95	196.65	1.70	38.99	0.03	1.06	1
21FND047	193.20	197.60	4.40	30.70	0.04	0.78	1
21FND048	194.65	197.55	2.90	37.97	0.12	0.79	1
21FND049	190.30	195.80	5.50	37.14	0.16	2.54	1
21FND050	189.75	195.30	5.55	33.40	0.04	0.72	1
including	189.75	192.40	2.65	43.15	0.07	1.28	
21FND051	185.45	191.20	5.75	33.51	0.06	1.60	2
including	185.45	188.13	2.68	36.08	0.11	3.24	
21FND052	181.75	186.61	4.86	40.64	0.09	2.97	2
including	181.75	185.11	3.36	47.44	0.13	4.20	
21FND053	180.30	185.30	5.00	34.33	0.05	1.12	2
including	181.30	183.35	2.05	35.26	0.07	1.71	
including	182.20	185.30	3.10	39.01	0.07	1.64	
21FND062	107.58	108.08	0.50	26.00	0.02	0.33	3
21FND063	121.42	123.92	2.50	35.89	0.03	0.23	3
21FND065	112.80	113.70	0.90	53.10	0.08	0.79	3
21FND066	120.40	122.75	2.35	32.46	0.07	0.73	3

The 2019 and 2021 drilling campaigns indicates that the vein system persists to depth with similar grades and widths. From Q1 2018 to Q3 2022, Altiplano has extracted tonnes of mineralized material at an average grade of 1.78% Copper. This compares closely to the vein's Inferred mineral resource, of 278,360 tonnes at an average grade of 1.92% Copper (and 0.12 g/t Au) at a 1.0% Cu cut-off grade, as discussed in an independent Technical Report by APEX Geoscience Ltd. The Company plans to continue diamond drilling to provide additional information on the geometry of the vein system, as well as its resource potential, and to guide the Hugo exploratory drift advancement.

Maria Luisa

Maria Luisa - Overview

The Maria Luisa project hosts Au-Cu mineralization in two major NW and NS trending strike-slip structural systems. Historical mining has been largely from the main NW-trending system, the Maria Luisa vein. The Maria Luisa vein is an anastomosing set of structures (traceable for ~500m) that range from 1–5 m in width and include veins, faults, magmatic-hydrothermal breccias, and tectonic breccias. This mineralization was emplaced in two different stages. Stage I (Au-rich) mineralization consists of specular hematite-quartz banded veins with epithermal textures including open spaces, crustiform quartz, and bladed calcite indicative of boiling. Grades up to 25 ppm Au across 1.6 m obtained from a vein of massive hematite suggest an association between Au and hematite, although supergene enrichment is suspected due to the presence of jarosite. This stage is brecciated and cut by a second stage of mineralization.

Figure 8 *Maria Luisa Location*



Stage II (Cu-rich) mineralization consists of a magmatic-hydrothermal breccia with abundant angular fragments of stage I mineralization and andesitic rock that is either clast supported or cemented by siderite and iron-copper oxides (hematite, goethite, malachite) at upper levels. At lower levels (below the 841m level), the breccia fragments are dominantly andesite with lesser fragments of stage I mineralization and cemented by quartz-chalcopyrite with minor bornite and traces of pyrite.

Maria Luisa - Surface Drill Program

The Company completed a limited 4-hole (495 m) drill program in 2017 that was intended to test both styles of mineralization below the main historic workings of the Maria Luisa main structure. The drill program intersected both the hematite Au-rich mineralization with hole 17MLD001 (1 m @ 6.95 g/t Au and 0.03% Cu), and Cu-rich mineralization with hole MLD003 (0.6m @ 5.90% Cu and 0.22 g/t Au). Disseminations of Cu and Au were also identified within holes MLD003 and MLD004, but further drilling is required to delineate the mineralized bodies. QA/QC samples sent to the lab (ActLabs Ltd) with an overall frequency of 1 QC sample in every 10 samples shows no issues with the lab results. Core recovery within the mineralized structures ranged between 45–60%. The drill hole collar information and assay data are summarized in Tables 4–5 below.

Maria Luisa - Underground Workings and Drilling

The Company expanded the underground workings at the lowest accessible level (841M level) to improve access and allow for additional channel sampling and underground drilling. The channel sampling results confirmed the presence of high-grades at the lowest level with up to 19.21 g/t Au and 2.27 % Cu across 1.1 m.

Table 4: 2017 Maria Luisa Drill Collars.

Hole ID	Easting (m)	Northing (m)	Elevation (m)	Azimuth	Dip	Depth (m)
17MLD001	306232	6767010	906	45	-60	137.5
17MLD002	306232	6767010	906	45	-50	84.7
17MLD003	306264	6766987	903	15	-70	155.0
17MLD004	306209	6767079	924	60	-55	117.5

Table 5: 2017 Maria Luisa Drill Program Intersection Summary.

Hole ID	From (m)	To (m)	Core Interval (m)	Au (ppm)	Cu (%)
17MLD001	101.30	102.28	0.98	6.95	0.03
17MLD002	81.70	83.20	1.50	0.66	1.28
17MLD003	94.15	96.70	2.55	0.16	1.68
including	94.75	95.35	0.60	0.22	5.09
and	100.00	102.00	2.00	1.53	0.38
and	115.00	116.40	1.40	1.62	2.53
17MLD004	42.90	44.40	1.50	1.32	0.52

(note: there is insufficient information available to determine true widths at this time)

Maria Luisa – Agreement Update

On July 5, 2021, the Company completed an option agreement (the “Option Agreement”) on the Maria Luisa property, whereby the Company may acquire a 100% undivided interest in the property by paying a total of US\$2,000,000 over three years, as follows:

- US\$200,000, paid in 12 equal monthly payments starting July 5, 2021 (paid US\$183,337 up to June 30, 2022);
- US\$800,000, paid on the first-year anniversary of closing the Option Agreement*;
- US\$500,000, paid on the second-year anniversary of closing the Option Agreement;
- US\$500,000, paid on the third-year anniversary of closing the Option Agreement.

* During the year ended December 31, 2022, the Company amended the agreement to delay the first-year anniversary payment of US\$800,000 to January 2023.

This Agreement replaced the revenue sharing agreement on the Property, previously announced on August 27, 2020.

Risks and Uncertainties

Mining Risks

The Company is subject to the risks typical in the mining business including uncertainty of success in exploration and development; operational risks including unusual and unexpected geological formations, rock bursts, particularly as mining moves into deeper levels, cave-ins, flooding and other conditions involved in the drilling and removal of material as well as environmental damage and other hazards; risks that intended drilling schedules or estimated costs will not be achieved; and risks of fluctuations in the price of commodities and currency exchange rates. Metal prices are subject to volatile price movements over short periods of time and are affected by numerous factors, all of which are beyond the Company's control, including expectations of inflation, levels of interest rates, sale of gold by central banks, the demand for commodities, global or regional political, economic and banking crises and production rates in major producing regions. The aggregate effect of these factors is impossible to predict with any degree of certainty.

Business Risks

Natural resources exploration, development, production and processing involve a number of business risks, some of which are beyond the Company's control. These can be categorized as operational, financial and regulatory risks.

Operational risks include finding and developing reserves economically, marketing production and services, product deliverability uncertainties, changing governmental law and regulation, hiring and retaining skilled employees and contractors and conducting operations in a cost effective and safe manner. The Company continuously monitors and responds to changes in these factors and adheres to all regulations governing its operations. Financial risks include commodity prices, interest rates and foreign exchange rates, all of which are beyond the Company's control.

Regulatory risks include possible delays in getting regulatory approval to the transactions that the Board of Directors believe to be in the best interest of the Company, and include increased fees for filings as well as the introduction of ever more complex reporting requirements, the cost of which the Company must meet in order to maintain its exchange listing.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Company will compete with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of attractive exploration and evaluation properties. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or development. There is no assurance that the Company will be able to compete successfully with others in acquiring such prospects.

No Operating History and Financial Resources

The Company is in an advanced stage of exploration, which generated proceeds from the sale of mineralized material, partially offsetting exploration expenditures. The Company has also reported a maiden inferred resource.

Inferred mineral resources are not mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future.

Should a production decision be made without completing a feasibility study demonstrating economic and technical viability, there would be increased uncertainty as well as economic and technical risks associated with such production. No production decision has been made at this time.

The Company anticipates that its cash resources will be sufficient to cover its projected funding requirements for the ensuing year. If its exploration program is successful, additional funds will be required for further exploration to prove economic deposits and to bring such deposits to production. Additional funds will also be required for the Company to acquire and explore other mineral interests.

Price Volatility and Lack of Active Market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any quoted market for the Company's securities will be subject to such market trends and that the value of such securities may be affected accordingly.

Key Executives

The Company is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of the Company are likely to be of importance. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. The Company does not currently carry any key man life insurance on any of its executives.

Potential Conflicts of Interest

Certain directors and officers of the Company are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Company. Directors and officers of the Company with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for mineral exploration and development. Any future determination to pay dividends will be at the discretion of the Board of Directors of the Company and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors of the Company deem relevant.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment. Furthermore, an investment in the Company's securities should not constitute a major portion of an investor's portfolio.

Qualified Person

The disclosures contained in this MD&A regarding the Company's exploration & evaluation properties have been prepared by, or under the supervision of, Mr. John Williamson, P.Geol., and Chairman of the Company and a Qualified Person for the purposes of National Instrument 43-101.

Approval

The Audit Committee on behalf of the Board of Directors of the Company approved the disclosures contained in this MD&A.

Other Information

Additional information related to the Company is available for viewing on SEDAR at www.sedar.com and on the Company's website at www.apnmetals.com.