

Eloro Resources Ltd.

Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") provides discussion and analysis of the financial condition and results of operations of Eloro Resources Ltd. (the "Company") for the 6 months ended September 30, 2021 and should be read in conjunction with the consolidated financial statements and the accompanying notes.

The MD&A is the responsibility of management and is dated as of November 29, 2021.

All dollar amounts in the MD&A are stated in Canadian dollars unless otherwise indicated.

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website at www.elororesources.com.

Forward-Looking Statements

This MD&A may contain, without limitation, statements concerning possible or assumed future operations, performance or results preceded by, followed by or that include words such as "believes", "expects", "potential", "anticipates", "estimates", "intends", "plans" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees. The reader should not place undue reliance on forward-looking statements and information because they involve risks and uncertainties that may cause actual operations, performance or results to be materially different from those indicated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or other factors. These cautionary statements expressly qualify all forward-looking statements in this MD&A.

See page 13 for *Material assumptions and risk factors for forward-looking statements*.

The Company

The Company is a Canadian-based gold exploration and development company with a silver-tin polymetallic property in Bolivia, a gold-silver property in Peru and base metal properties and royalties in the province of Quebec.

The Company is a reporting issuer in Ontario, Alberta and British Columbia and its common shares are listed for trading on Tier 2 of the TSX Venture Exchange ("TSXV") under the symbol ELO and on the Frankfurt Stock Exchange under the symbol WKN 909833.

Overall Performance

Iska Iska option payment

As at September 30, 2021, the Company had made an installment payment of US\$300,000 and on October 1, 2021, the Company made an instalment payment of US\$2,700,000 towards the US\$10,000,000 option payment required to acquire a 99% interest in Iska Iska (see Iska Iska section below).

Status of use of proceeds for January 2021 and March 2021 bought deal financings

The Company completed the program outlined in the January 2021 Prospectus in line with the estimated costs:

	Metres	Estimated cost (in 000's)	Status
Iska Iska Technical Report			
<i>Phase I</i>		52	Completed
<i>Phase II</i>			Completed
Diamond drilling	3,500	875	Completed
Field costs		165	Completed
Exploration personnel		150	Completed
Miscellaneous		110	Completed
Iska Iska			
Geophysics (ground magnetics)		60	Completed
Diamond drilling			
Santa Barbara/Huayra Kasa	6,000	1,920	Completed
Central Breccia	4,000	1,280	Completed
	13,500	4,612	

The status of the use of proceeds outlined in the March 2021 Prospectus is as follows:

Drilling	Metres	Estimated cost (in 000's)	Expected completion	Status
Santa Barbara	6,000	1,950	July 2021	Completed
Central Breccia	15,000	4,875	September 2021	In progress
Porco (South)	16,000	5,200	November 2021	In progress
Huayra Kasa	2,000	650	December 2021	
Other targets	3,000	975	March 2022	To be reallocated (note)
Pache	3,000	975	March 2022	
	45,000	14,675		
Other				
Infrastructure improvements		754	April 2022	Ongoing
Geophysics		325	January 2022	Down hole IP survey in progress; CSAMT planned
Resource estimate, metallurgical studies, mineralogical studies		468	April 2022	Metallurgical and mineralogical studies in progress
Other		473	March 2022	In progress
Payment of US\$2,500,000 pursuant to an option to acquire a 99% interest in Iska Iska for US\$10,000,000		3,250	September 2021 (rescheduled from June 2021)	Paid US\$2,700,000 on October 1, 2021
		5,270		
Total		19,895		

Note: The meterage originally allocated for Huayra Kasa/Other Targets and Pache will be reallocated for resource definition at Santa Barbara Breccia Pipe as the mineralized zone has been expanded significantly since the March 2021 Prospectus.

Of the planned 45,000 metres of drilling, the Company has completed approximately 31,000 metres of drilling.

Iska Iska

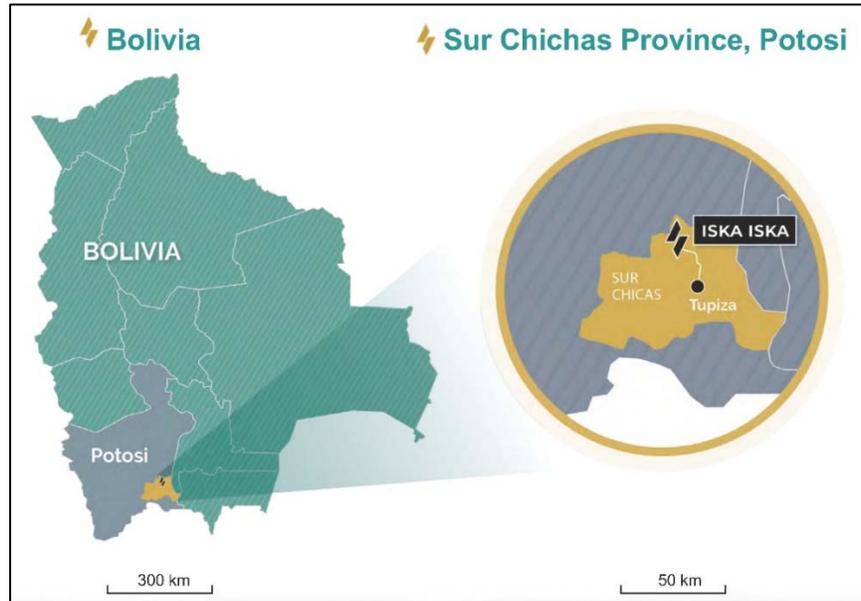
On January 6, 2020, the Company signed a Definitive Agreement, whereby its Bolivian subsidiary, Minera Tupiza was granted an option to acquire a 99% interest in Iska Iska, a silver-tin polymetallic property consisting of one mineral concession totaling 900 hectares ("ha") located in southern Bolivia. In order to acquire its interest in Iska Iska, the Company will conduct an exploration and development program in the 4 years ended January 6, 2024 and issue common shares and make an option payment, as follows:

	Common shares Number	\$	Option payment US\$
February 5, 2020 (issued)	250,000	100,000	–
January 6, 2022	250,000	–	–
January 6, 2024 (US\$3,000,000 paid)	–	–	10,000,000
	500,000	100,000	10,000,000

Iska Iska is located in the Sud Chichas Province of the Department of Potosi, southern Bolivia, approximately 48 kilometres ("km") north of Tupiza city. The project is road accessible and royalty-free, wholly-controlled by the title holder, Empresa Minera Villegas S.R.L. and can be classified as a silver-tin polymetallic-(silver (Ag), zinc (Zn), lead (Pb), gold (Au), copper (Cu), bismuth (Bi), tin (Sn), indium-(In)) porphyry-epithermal complex, which is an important mineral deposit type in the prolific South Mineral Belt of Bolivia. Iska Iska is within the Porvenir Concession, which is comprised of 36 cuadrículas (current mining measure unit which is used in Bolivia and which is an inverted pyramid with the inferior vertex pointing to the earth's core, with an exterior perimeter equal to 25 ha) totalling 900 ha.

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Figure 1: Location Map – Iska Iska Silver-Tin Polymetallic Property, Bolivia



Iska Iska is in the southwest part of the Eastern Cordillera geological province of Bolivia, which is endowed with several major/world class polymetallic mines and mineral deposits including Chorolque, Silver Sand, San Bartolome, Pulacayo, San Cristobal, San Vicente, Tasna, Choroma and Siete Suyos.

A National Instrument 43-101 Technical Report on Iska Iska was completed by Micon International Limited on April 27, 2020, and is available on the Company's website and under its filings on SEDAR. Following the completion of the NI 43-101 Technical Report, the next phase in the development is geared towards the preparation of a maiden mineral resource estimate. To ensure that the highest level of technical and commercial standards is upheld, the Company has retained Micon International Limited as Independent Engineer ("Micon") to review, on an on-going basis, all its exploration activities and data collection methods. Micon will also advise on how best to proceed with preliminary metallurgical test-work of which the results will be critical in the definition of the mineral resources.

The Company began underground diamond drilling from the Huayra Kasa underground workings at Iska Iska on September 13, 2020. On November 18, 2020, the Company announced the discovery of a significant breccia pipe with extensive silver polymetallic mineralization just east of the Huayra Kasa underground workings and a high-grade gold-bismuth zone in the underground workings. On November 24, 2020, the Company announced the discovery of the Santa Barbara Breccia Pipe ("SBBP") approximately 150m southwest of the Huayra Kasa underground workings.

Subsequently, on January 26, 2021, the Company announced significant results from the first drilling at the SBBP including the discovery hole DHK-15 which returned 129.60 g Ag eq/t over 257.5m (29.53g Ag/t, 0.078g Au/t, 1.45%Zn, 0.59%Pb, 0.080%Cu, 0.056%Sn, 0.0022%In and 0.0064% Bi from 0.0m to 257.5m. Subsequent drilling has confirmed significant values of Ag-Sn polymetallic mineralization in the SBBP and the adjacent Central Breccia Pipe ("CBP"). A substantive mineralized envelope which is open along strike and down-dip extends around both major breccia pipes. Continuous channel sampling of the Santa Barbara Adit located to the east of SBBP returned 442 g Ag eq/t (164.96 g Ag/t, 0.46%Sn, 3.46% Pb and 0.14% Cu) over 166m including 1,092 g Ag eq/t (446 g Ag/t, 9.03% Pb and 1.16% Sn) over 56.19m. The west end of the adit intersects the end of the SBBP.

Since the discovery hole on the SBBP, the Company has released a number of significant drill results on this target, including:

- 122.66 grams g Ag eq/t (35.05 g Ag/t, 0.72% Zn, 0.61% Pb, 0.11% Sn and 0.06 g Au/t) over 123.61m including 205.74 g Ag eq/t (92.30 g Ag/t, 0.57% Zn, 0.85% Pb, 0.18% Sn and 0.07 g Au/t) over 32.32m (DSB-07),
- 105.41 g Ag eq/t (8.55 g Ag/t, 1.01% Zn, 0.48% Pb, 0.06% Sn and 0.38 g Au/t) over 173.58m including 199.77 g Ag eq/t (21.90 g Ag/t, 1.18% Zn, 0.93% Pb 0.12% Sn and 0.94 g Au/t) over 39.08m (DSB-07)
- 69.89 g Ag eq/t over 252.89m from 355.12 to 608.02m including several higher-grade sections of 196.60 g Ag eq/t including 131.13 g Ag/t over 14.52m, 134.62 g Ag eq/t including 93.25 g Ag/t over 21.08m and 145.35 g Ag eq/t including 2.38% Zn over 10.11m (DSB-08).

- 114.96 Ag eq/t including 0.325% Sn over 56.2m including a higher-grade section of 187.98 g Ag eq/t including 0.535% Sn over 28.86m; 80.71 g Ag eq/t including 0.213% Sn over 74.39m and 118.69 g Ag eq/t over 10.77m (DSB-10).
- 129.65 g Ag eq/t (18.38 g Ag/t, 2.14% Zn, 0.67%Pb, and 0.047% Sn) over 300.75m from 65.14m to 365.91m, including higher grade intervals of 215.54 g Ag eq/t over 72.76m, 163.35 g Ag eq/t over 31.83m and 224.48 g Ag eq/t over 19.39m. 82% of this 446.5m long hole contained reportable intervals (DHK-18).
- 234.19 g Ag eq/t (70.58 g Ag/t, 2.31% Zn, 2.74% Pb and 0.042% Sn) over 53.2m including a higher-grade portion of 931.73 g Ag eq/t (367.29 g Ag/t, 5.64% Zn, 13.67% Pb and 0.10% Sn) over 9.26m (DHK-20).
- 108.24 g Ag eq/t (3.14g Ag/t, 0.24 g Au/t, 2.03% Zn and 0.58% Pb) over 48.2m including a higher-grade interval grading 180.76 g Ag eq/t (4.46 g Ag/t, 0.35 g Au/t, 3.57% Zn and 1.05% Pb) over 15.02m (DHK-19). 160.22 g Ag eq/t (36.53 g Ag/t, 1.63% Zn, 1.20% Pb and 0.10% Sn) over 194.14m (DHK-21) including higher grade portions of:
 - 250.50 g Ag eq/t (51.31 g Ag/t, 3.35% Zn, 1.78% Pb and 0.10% Sn) over 18.24m.
 - 257.40 g Ag eq/t (75.83 g Ag/t, 2.29% Zn, 2.40% Pb and 0.12% Sn) over 16.33m.
 - 350.91 g Ag eq/t (112.57 g Ag/t, 1.41% Zn, 3.08% Pb and 0.33% Sn) over 30.06m.
 - 64% of this 512.9m long hole contains reportable intersections
- 94.68 g Ag eq/t (3.87 g Ag/t, 0.067 g Au/t, 1.63% Zn, 0.43% Pb and 0.05% Sn) over 169.93m including a higher-grade zone that graded 158.64 g Ag eq/t (9.35g Ag/t, 0.016 g Au/t, 3.43% Zn, 0.71% Pb and 0.03%Sn) over 29.84m (DHK-22).
- 100g Ag eq/t (including 38.71 g Ag/t, 0.88%Zn and 0.51%Pb) over 188.5 m from 58.67m to 247.13m including a higher-grade portion of 154 g Ag eq/t (including 75.51 g Ag/t, 0.96% Zn, 0.65% Pb and 0.16%Cu) over 65.8m (DHK-23)

On May 4, 2021, the Company released results from the first drill hole on the CBP. Hole DCN-01 intersected multiple mineralized intercepts including 196.09 g Ag eq/t (150.25 g Ag/t, 0.10% Sn and 0.05 g Au/t) over 56.2m and containing 342.98 g Ag eq/t (274.0 g Ag/t, 0.16% Sn and 0.16 g Au/t) over 27.53m.

Hole DCN-04 drilled at -80 degrees to the north from the northern radial platform of the CBP, intersected seventeen (17) mineralized intersections, principally Sn-Ag-bearing, over its 851.4m length. Best results include: 71.54 g Ag eq/t (32.58 g Ag/t and 0.10% Sn) over 97.10m from 134.40 to 231.5m; 101.52 g Ag eq/t (28.74 g Ag/t and 0.19% Sn) over 62.01m; 70.42 g Ag eq/t (28.74 g Ag/t and 0.16% Sn) over 22.59m; and 236.96 g Ag eq/t (92.21 g Ag/t and 0.25% Sn) over 17.45m. Hole DCS-02 was drilled southeast at -60 degrees from the south radial platform of the CBP. This hole, which was drilled to 800.5m, intersected nine (9) reportable Ag-Zn-Pb-Sn mineralized intervals. Best results include 79.53 g Ag eq/t (including 0.21% Sn) over 19.42m, 101.01 g Ag eq/t (32.76 g Ag/t, 0.76% Zn, 0.75% Pb) over 10.47 and 130.95g Ag eq/t (34.14 g Ag/t, 0.10 g Au/t, 1.35% Zn and 0.56 % Pb over 7.40m.

A detailed ground magnetic survey of the Iska Iska property, reported on June 6, 2021, confirmed the extent of the Iska Iska Caldera as determined from geological mapping and satellite interpretation, including Aster data. The SBBP and CBP, both of which have been confirmed by drill-testing, are marked by prominent low anomalies reflecting strong alteration. The magnetic data suggests that the Central and Porco Breccia Pipes likely merge at depth. In addition, there is a prominent area of low intensity magnetics northwest of the SBBP which was reported on in this press release.

Geological mapping and satellite interpretation identified a third major breccia pipe target, Porco (South), that is located southeast of the CBP in the southern part of the Iska Iska caldera complex. The Porco (South) Breccia Pipe target has a similar magnetic signature to the Santa Barbara and Central Breccia Pipes, further confirming the likelihood of it being a major breccia pipe. Six (6) drill holes have been completed on Porco; with assay results pending for five of the holes. On November 17, 2021, Eloro released results from the first Porco drill hole on the edge of a major magnetic susceptibility anomaly, which returned sixteen separate zones of sulphide veins including 110.30 g Ag eq/t over 3.0m and 67.08 g Ag eq/t over 6.0m. Additionally, channel sampling in the Porco adit returned 521.33 g Ag eq/t (including 117.10 g Ag/t, 1.44 g Au/t, 0.54% Cu and 0.66% Sn) over a 103m strike length with an average channel width of 1.8m. The Company believes mineralization at the Porco adit is sourced from a large underlying porphyry system as evidenced by modelling of recently acquired magnetic susceptibility data.

Hole DCP-01 drilled due west at -65 degrees from the Porco radial platform intersected sixteen (16) separate zones of quartz-tourmaline veins in granodioritic intrusive breccia with best results of 110.30 g Ag eq/t over 3.0m, 67.08 g Ag eq/t over 6.0m including 168.25 g Ag eq/t (25.0 g Ag/t, 1.31% Zn, 0.32% Pb and 0.25% Sn) over 1.54m, 131.16 g Ag eq/t (18 g Ag/t, 0.54% Cu and 0.31% Bi) and 80.66 g Ag eq/t over 3.0m (0.23% Sn).

Figure 3 is a longitudinal section (A-A' in Figure 2) showing the inverse model of magnetic susceptibility which highlights major targets and geological features. Figure 4 is a 3D view of the inversion model showing that Hole DPC-01 just clipped the edge of a very strong and extensive magnetic susceptibility anomaly below and to the northwest of the Porco Breccia Pipe. The strongest part of the anomalous section along drill hole DPC-01 (B-B' in Figure 1), is located just to the northwest of this hole in the very prospective gap area between the Central Breccia Pipe and the PBP (see also Figure 2). Further drilling is planned to test this target once definition drilling at Santa Barbara is completed.

A downhole induced polarization/resistivity survey is in progress to further define drill targets and aid resource definition drilling. Preliminary metallurgical tests are also in progress. An updated NI 43-101 Technical Report is being prepared by independent consultant Micon.

Currently three diamond drill rigs are active at Iska Iska, two surface rigs and one underground drill. Drilling is continuing to complete the 51,000m planned drill program with the aim of outlining an initial NI 43-101 compliant mineral resource by the end of Q1 2022. The target zone at the SBBP and the surrounding mineralized envelope is 1400m along strike, 500m wide and extends to a depth of 600m. This zone is open along strike to the northwest and southeast. A downhole induced polarization/resistivity (IP/Res) survey is in progress to further define drill targets and aid resource definition drilling. Blue Coast Research has been returned to carry out metallurgical tests. An updated NI 43-101 Technical Report is being prepared by independent consultant Micon International Ltd.

Since the start of drilling on the Iska Iska project on September 13, 2020, the Company has to November 28, 2021 completed 37,668 metres of diamond drilling in 70 holes including 3 in progress. The breakdown of drilling completed by target area is as follows:

Target Area	Date Commenced	Date Completed	No. of Holes	Total Metres
Huayra Kasa Breccia Pipe and area	September 13, 2020	November 11, 2020	13	2,895
Santa Barbara Breccia Pipe and Mineralized Envelope	November 13, 2021	In Progress*	27	14,254
Santa Barbara Northwest	August 6, 2021	In Progress	13	9,349
Central Breccia Pipe	March 1, 2021	August 8, 2021	11	7,473
Porco (South) Breccia Pipe target	April 16, 2021	August 24, 2021	6	3,697
Huayra Kasa/Other targets	Not started			
Pache	Not started			
			70	37,668

*The 6,000 metre drilling originally budgeted for Santa Barbara was completed on May 6, 2021.

Definition drilling is continuing in the Santa Barbara Target area as shown in Figure 2. Currently a series of SW-NE sections at approximately 100m intervals are being completed with holes drilled on each section at -40 degrees and -65 degrees to provide coverage over the full target strike length of 1,400m. Underground drilling is continuing in the Santa Barbara adit to evaluate the resource potential in the mineralized envelope east of the Santa Barbara Breccia Pipe. It is anticipated that the definition drilling program will be completed by early December. Drilling will then refocus on exploration of the major magnetic targets in the Central-Porco target area.

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Figure 3: Longitudinal Section Showing the Inverse Model of Magnetic Susceptibility. Susceptibility Highlights Major Targets and Geological Features. The location of this Section A-A' is shown in Figure 2.

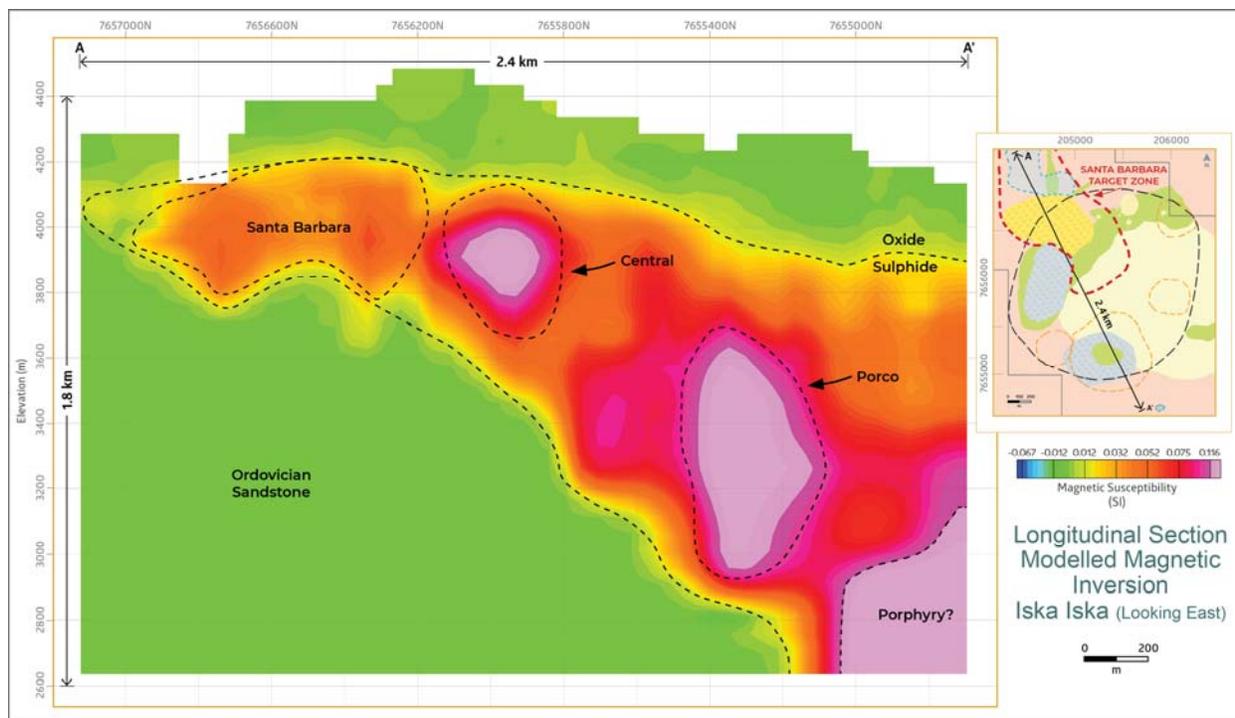


Figure 4: 3D Magnetic Inversion Model Showing Location of Drill Hole DPC-01.

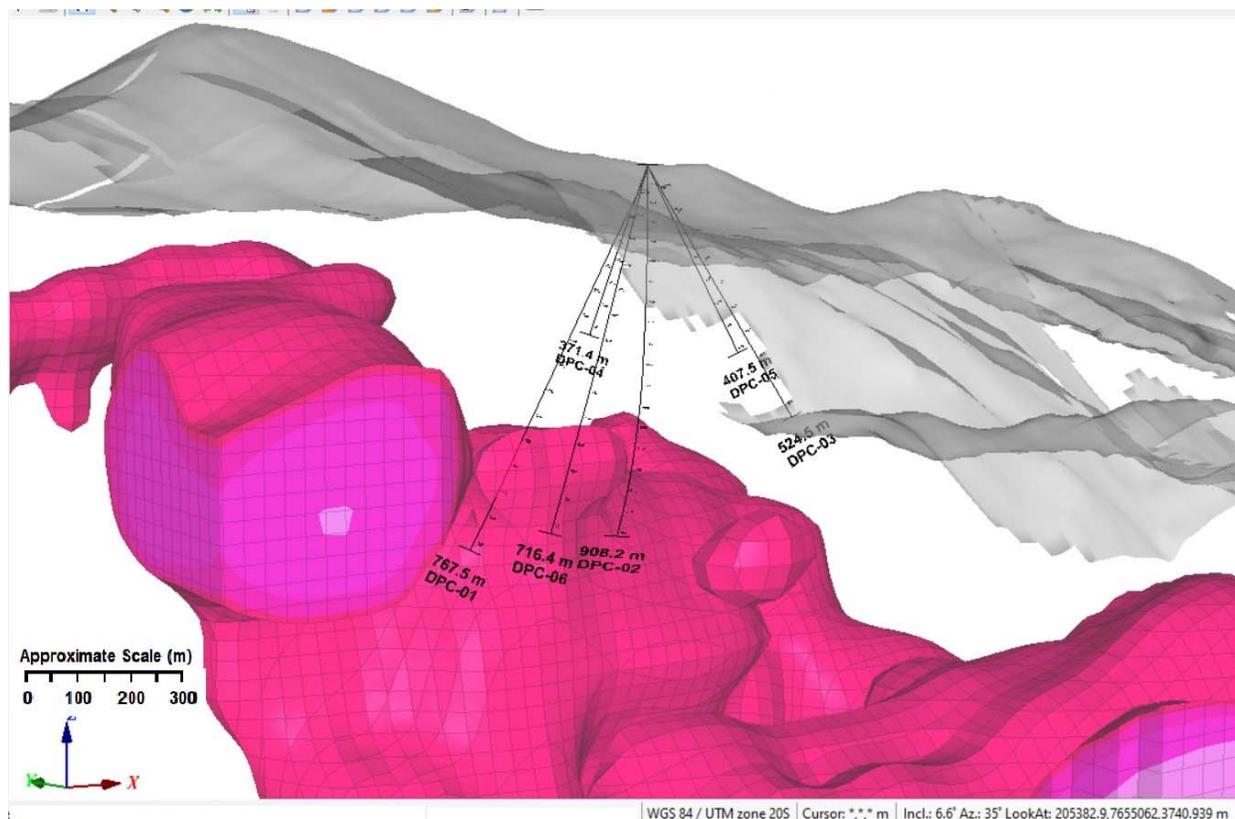
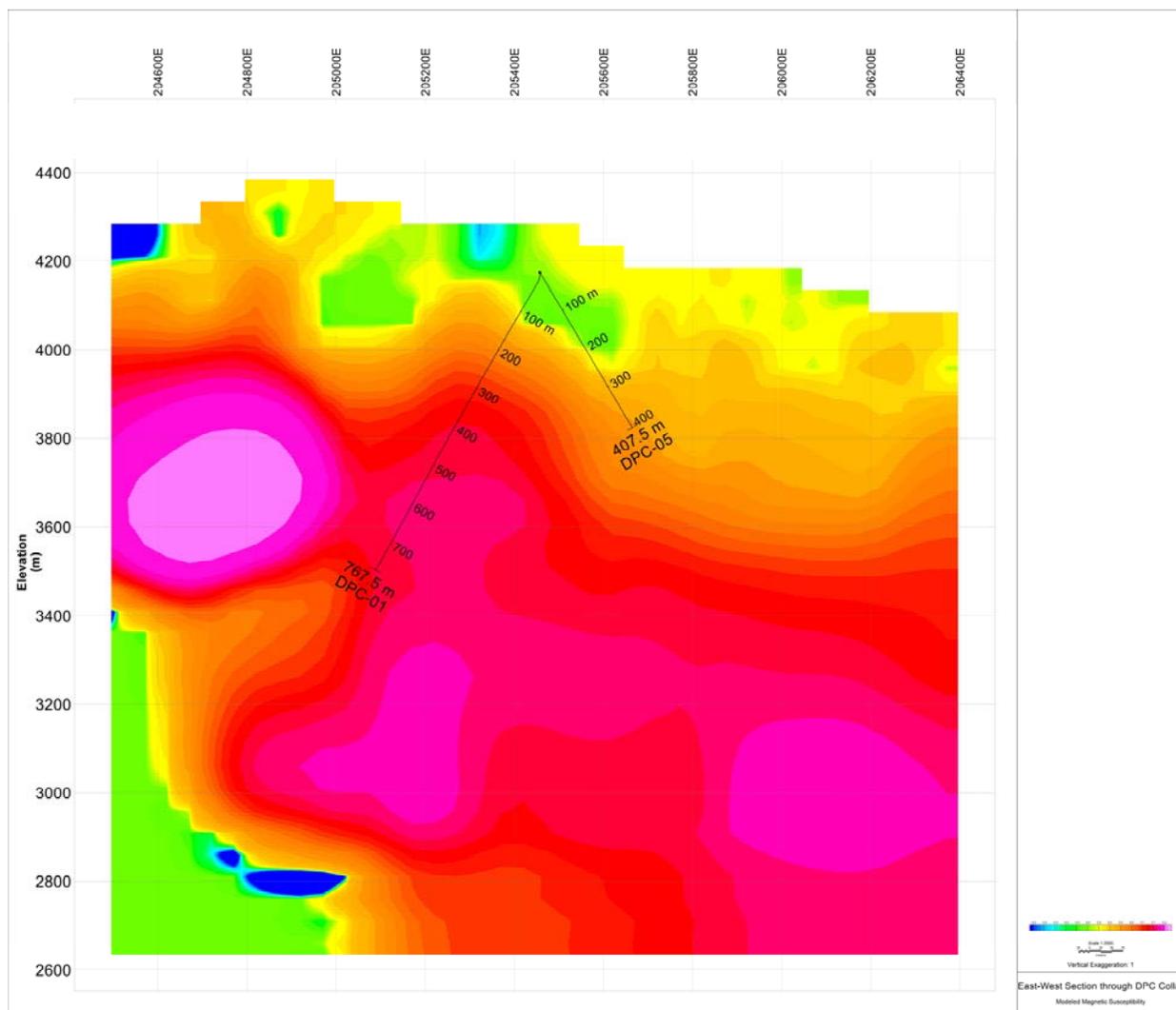


Figure 5. Cross Section Looking North of Magnetic Inversion Model Showing Location of Drill Hole DPC-01. The Magnetic High to the Northwest of the Hole is a Priority Target for Drill Testing. The location of this section B-B' is shown in Figure 1.



Grant of option for a 25% interest in La Victoria

Burgundy Diamond Mines Limited (“BDM”)(formerly EHR Resources Limited) owns an 18% interest in La Victoria and the Company has granted an option to BDM to increase its interest to 25% (“Option”). The Option provides that BDM will have 45 days from the date that the Company receives all permits required to commence drilling at San Markito (“Permits”) to provide written notice of its intention to proceed to increase its interest to 25%, failing which, the option will expire. In order to increase its interest, BDM must incur exploration expenditures of \$1,400,000 during the 6 months from 45 days from the date that the Company receives the Permits. If the Company or BDM does not fund its proportionate share of expenditures, its respective interest will be diluted and when its interest is diluted to less than 10%, the party’s interest shall be reduced to a 2% net smelter royalty on all production. The other party will have the option to reduce the royalty from 2% to 1% by making a payment of \$3,000,000.

If either the Company or BDM acquires an interest in any property within 5 kilometres of La Victoria, the acquirer must offer the other party the opportunity to participate in the acquisition up to its participating interest.

In the event the Company or BDM proposes to sell any interest in La Victoria to a third party, the other party has a right of first refusal to match the terms and conditions of the proposed sale. In the event that the Company proposes to sell a majority of its interest in La Victoria to a third party, the Company must first consult with BDM about the identity of the third party and the proposed terms of sale and if the Company proceeds with the sale, BDM will be obliged to sell its interest to the third party on a pro rata basis in accordance with the terms of the sale to the third party.

In August 2021, the Company received the Permits and BDM decided to maintain its interest at 18% and not increase its interest to 25%, upon which, the Option expired and a joint venture, with the Company as operator, was formed to continue to explore and develop La Victoria.

Exploration at La Victoria

La Victoria is a gold-silver property covering 8,933 hectares, consisting of 9 concessions covering 3,533 hectares (Ccori Orcco 1, Roberto N°1, Rufina, Rufina N° 2, San Felipe 1, San Felipe 2, San Markito, Santa Ana 1 and Victoria-APB) and 7 claims covering 5,400 hectares (Romina 01, 02, 03, 04, 05, 06 and 07) in the Huandoval District, Pallasca Province, Ancash Department, in the North-Central Mineral Belt of Peru.

A National Instrument 43-101 Technical Report (“Technical Report”) on La Victoria was filed on September 7, 2016, authored by Luc Pigeon, M.Sc., P.Geol. The Technical Report was filed as one of the terms precedent to the acquisition of La Victoria and is available under the Company’s profile on SEDAR (www.sedar.com).

As outlined in the Technical report, four principal mineralized zones are identified at La Victoria: San Markito, Rufina, Victoria and Victoria South. The Rufina and San Markito zones were the most advanced targets and were recommended for drilling whereas the Victoria and Victoria South zones are at an early exploration stage. In general, mineralization occurs within breccias and veins that contain significant gold and silver concentrations and trace element characteristics that are compatible with epithermal deposits especially the low sulphidation type.

La Victoria is located within a prolific epithermal gold deposit belt that extends from Cajamarca to Ancash and includes such gold deposits as Yanacocha, Lagunas Norte and La Arena. The La Arena mine is located 50km northwest of the property.

Work completed to date continues to confirm the presence of a major epithermal system with multiple stages of mineralization in the San Markito-Victoria area in the northern part of the La Victoria property. The intensity of alteration and the wide range of styles of mineralization is very encouraging.

As part of a continuing review of the surface geology of the La Victoria property and environs, a large tract of land bordering the Rufina 2 Concession to the south was seen to host geology similar to what is seen on the Ccori Orcco Concession, and mining rights were available to acquire by staking. This property acquisition makes the Company one of the largest holders of mining rights in the northern Ancash Department section of the North-Central Peru Mineralized Belt.

On June 6, 2018, the Company announced that, together with BDM, they were proceeding with a drilling program to test the Rufina and San Markito target areas. On August 13, 2018, the Company further announced it had completed three diamond drill holes totalling 1,242m testing the Rufina East target area. A complete summary of the drilling results was provided in the August 13, 2018 news release, available under the Company’s profile on SEDAR and on its website.

The drilling by the Company at Rufina was the first diamond drilling ever carried out on the property. The first and second phases which comprised twelve drill holes totaling 4,281m (see press releases January 16, 2018 and June 6, 2018), were designed to provide complete sections across up to 500m strike length of the target zone to test the major NW and NE-SW striking mineralized structures identified in the surface geological mapping. All the reconnaissance drill holes intersected extensive zones of mineralization and alteration, including more than sixty anomalous gold intervals distributed in about 40 mineralized structures. Many of these structures correlated with zones mapped on surface. Gold mineralization and alteration at Rufina occurs over 600 m in width, over 700 m in vertical extent and about 600 m along strike.

Further Exploration

Results at Rufina provide indications of a large-scale epithermal gold mineralized system at La Victoria, however further drilling needs to focus on the likely overall major core area which is believed to be San Markito. San Markito is the best target zone identified thus far on the property, where gold and silver mineralization are found in an extensive symmetric alteration zone within both the favourable Chimú Formation sediments and dioritic intrusives. This target will be the focus of further drilling at La Victoria going forward.

Further to the drilling program conducted at La Victoria in the summer of 2018, the Company continued its efforts to obtain required permitting in order to drill the San Markito target. On May 27, 2019, the Company provided an update on the ongoing process to obtain all of the necessary permits, including the local approval of the community of Pallasca, Pallasca District, Ancash Department, Peru, and the entering into of a local land rental contract. A further update was announced on December 19, 2019, whereby it was announced that community elections in Pallasca were completed and a new President of the community was elected. The Company worked with the new community council in order to obtain the required permitting and a land rental agreement.

On July 24 2021, an extraordinary community assembly took place, where a majority of community members voted in favour of the Company’s land use proposal. Apart from the land rental payment, the Company also agreed to help the community

avail itself to government infrastructure funds to enhance the community's agricultural practices and access to water.

With the land rental agreement in place, the Company obtained the required drill permitting from the Peruvian Ministry of Energy and Mines. Geades Consulting S.A.C was retained for this purpose.

Geological operations recommenced in September, 2021, under the supervision of Chief Geologist (Peru), Marcelo Alvarez, who led the Company's 2017-2018 exploration activities at La Victoria. Mr. Alvarez brings 30 years of exploration experience in South American epithermal, mesothermal and porphyry deposit types. He also has extensive knowledge in the modeling and evaluation of mineral resources. A total of 284.70 m in two holes including one redrilled hole were completed in November 2021.

For additional technical information on the La Victoria Project, the reader is referred to the NI 43-101 Technical Report on the La Victoria Au-Ag Property, Ancash, Peru filed under Eoro's profile on SEDAR (www.sedar.com).

Further exploration programs at La Victoria are contingent upon the Company allocating the required working capital to dedicate to this project.

Risks and Uncertainties

Mineral exploration and development

The Company is exposed to the inherent risks associated with mineral exploration and development, including the uncertainty of mineral resources and their development into mineable reserves; the uncertainty as to potential project delays from circumstances beyond the Company's control; and the timing of production; as well as title risks, risks associated with joint venture agreements and the possible failure to obtain exploration permits and mining licenses.

Commodity price risk

The Company is exposed to commodity price risk. A significant decline in precious and base metal commodity prices may affect the Company's ability to obtain capital for the exploration and development of its mineral resource properties.

Results of Operations

	3 months ended September 30,		3 months ended September 30,	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses				
Professional fees	32,870	7,368	149,802	16,118
Consulting fees	81,000	54,000	162,000	108,000
Financing bonus	—	—	—	30,000
Stock-based compensation	—	—	—	356,000
Investor relations and marketing	158,520	149,429	329,791	195,126
General and office	75,471	36,686	170,780	65,786
Travel	7,427	13,541	11,708	26,484
Depreciation	10,659	10,659	21,318	21,318
Interest	285	942	738	2,042
Financing fee	—	—	—	30,000
Foreign exchange loss (gain)	(81,031)	14,306	(34,663)	17,553
Gain on sale of marketable securities	—	—	—	(5,805)
Unrealized loss (gain) on marketable securities	2,150	6,600	7,750	(21,100)
Impairment of exploration and evaluation	—	—	—	528
Refundable tax credit notices of assessment	15,000	—	30,000	—
Other	(9,502)	—	(28,324)	—
	292,850	293,531	820,899	842,049
Loss	(292,850)	(293,531)	(820,899)	(842,049)

9 months ended September 30

The Company recorded a loss of \$820,899 which is comparable to a loss of 842,049 in the comparative period of the previous year. The loss reflects the following factors:

- an increase in professional fees to \$149,802 (2020 - \$16,118).
- a decrease in stock-based compensation to \$Nil (2020 - \$356,000) as no stock options were granted in the current period.

- c) an increase in investor relations to \$329,791 (2020 - \$195,126) which reflects efforts to increase public awareness of the Company and Iska Iska.
- d) an increase in general and office to \$170,780 (2020 - \$65,786) which reflects an increase in activity.

3 months ended September 30

The Company recorded a loss of \$293,531 which is comparable to a loss of 292,850 in the comparative period of the previous year. The loss reflects the following factors:

- a) an increase in general and office to \$75,471 (2020 - \$36,686) which reflects an increase in activity.
- b) an increase foreign exchange gain to \$81,031 compared to a foreign exchange loss of \$14,306 in the comparative period of the previous year.

Summary of Quarterly Results

	Q3 2020 \$	Q4 2020 \$	Q1 2021 \$	Q2 2021 \$	Q3 2021 \$	Q4 2021 \$	Q1 2022 \$	Q2 2022 \$
Revenue	-	-	-	-	-	-	-	-
Loss								
- Total	206,859 (note 1)	710,404 (note 2)	548,518 (note 3)	293,531	226,230	3,596,439 (note 4)	528,049	292,850
- Per share	0.01	0.02	0.01	0.01	-	0.07	0.01	-

Note 1: Loss for Q3 2020 includes pre-acquisition exploration and evaluation of \$52,751 was incurred for Iska Iska.

Note 2: Loss for Q4 2020 includes stock-based compensation of \$501,000.

Note 3: Loss for Q1 2021 includes stock-based compensation of \$356,000.

Note 4: Loss for Q4 2021 includes stock-based compensation of \$3,041,000.

Liquidity and Capital Resources

As the Company is in the exploration stage and does not generate revenue, the Company has financed its operations with the proceeds of equity financings. The Company is dependent upon the Company's ability to secure equity financings to meet its existing obligations and to fund its working capital requirements and the acquisition, exploration and development of mineral resource properties.

Estimated working capital requirements for 2022

Corporate and general	\$ 1,600,000
Accounts payable and accrued liabilities at March 31, 2021	1,065,000
	<u>2,665,000</u>

At September 30, 2021, the Company had cash and cash equivalents of \$ 20,740,221, which will be sufficient to cover the estimated working capital requirements for 2022. Thereafter, the Company expects that additional financing will be required to fund its operations and the acquisition, exploration and development of its mineral resource properties. Management is of the opinion that sufficient working capital will be obtained from equity financings and the exercise of warrants to meet the Company's liabilities and commitments as they become due.

At November 29, 2021, there are outstanding stock options and warrants (see *Stock options* and *Warrants* on page 12). Based on closing market price for the Company's common shares of \$3.48 at November 26, 2021, in-the-money stock options and warrants, if exercised, would provide the Company with proceeds of \$1,686,500 and \$5,578.966, respectively.

Transactions with Related Parties

	Exploration and evaluation \$	Consulting fees \$	Investor relations and marketing \$	Outstanding at September 30, 2021 \$
Gambier Holdings Corp., a company controlled by Thomas G. Larsen, for his services as Chief Executive Officer	–	72,000	–	–
Pearson Geological Limited, a company controlled by William Pearson, for his services as Executive Vice President, Exploration	60,000	–	–	–
Marlborough Management Limited, a company controlled by Miles Nagamatsu, for his services as Chief Financial Officer	–	45,000	–	–
J. Estepa Consulting Inc., a company controlled by Jorge Estepa, for his services as Vice President, Corporate Secretary	–	45,000	–	–
Christopher Holden, for his services as Vice President, Corporate Development	–	–	48,000	–

Financial instruments and risk management

The Company's activities expose it to a variety of financial risks that arise as a result of its exploration, development, production and financing activities, including credit risk, liquidity risk and market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout the consolidated financial statements.

The Board of Directors oversees management's establishment and execution of the Company's risk management framework. Management has implemented and monitors compliance with risk management policies. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's cash balances. The maximum exposure to credit risk is equal to the balance of cash.

The Company's limits its exposure to credit risk on its cash by holding its cash in deposits with Canadian chartered banks.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial liabilities that are settled in cash or other financial assets. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities as they come due. The amounts for accounts payable and accrued liabilities are subject to normal trade terms.

The Company has no revenues and relies on financing primarily through the issuance of equity to finance its on-going and planned exploration activities and to cover administrative costs.

Market risk

Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates, and interest rates will affect the Company's income or the value of its financial instruments. The Company is exposed to equity price risk with respect to marketable securities. The Company's approach to managing equity price risk is to optimize the return from its marketable securities within acceptable parameters for equity price risk. The Company estimates that if the fair value of its marketable securities as at September 30, 2021 had changed by 10%, with all other variables held constant, the unrealized gain (loss) would have decreased or increased by \$3,225.

Interest rate risk

The Company's exposure to interest rate risk is limited due to the short-term nature of its financial instruments and the Company has no interest-bearing debt.

Capital management

Capital of the Company consists of share capital, warrants, contributed surplus, foreign currency reserve and deficit. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern so that it can acquire, explore and develop mineral resource properties for the benefit of its shareholders. The Company manages its capital structure and makes adjustments based on the funds available to the Company in light of changes in economic conditions. The Board of Directors has not established quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain the future development of the Company. In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that consider various factors, including successful capital deployment and general industry conditions. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company's principal source of capital is from the issue of common shares. In order to achieve its objectives, the Company intends to raise additional funds as required.

The Company is not subject to externally imposed capital requirements and there were no changes to the Company's approach to capital management during the year.

Material assumptions and risk factors for forward-looking statements.

The following table outlines certain forward-looking statements contained in this MD&A and provides material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

Page	Forward-looking statement	Assumption	Risk factor
11	Liquidity and Capital Resources "Management is of the opinion that sufficient working capital will be obtained from equity financings to meet the Company's liabilities and commitments as they become due."	Equity financings will be obtained.	The Company is unable to obtain future financing to meet liabilities and commitments as they become due.

Other Information

Additional Disclosure for Venture Corporations without Significant Revenue

The following table sets forth a breakdown of material components of the general and administration costs, capitalized or expensed exploration and development costs of the Company for the years indicated.

	6 months ended September 30,	
	2021	2020
	\$	\$
General and office expenses		
Premises	(10,028)	4,992
Office	45,788	34,181
Insurance	16,506	–
Health plan	30,503	12,252
Public company costs	88,010	11,861
	170,780	65,786

Exploration and evaluation

	March 31,	Exploration	September 30,
	2021		2021
	\$	\$	\$
Property			
La Victoria	5,179,631	346,786	5,526,417
Iska Iska	3,950,513	6,352,196	10,302,708
	9,130,143	6,698,982	15,829,125

Shares Outstanding as at November 29, 2021

Shares

Authorized:

An unlimited number of common shares without par value.

An unlimited number of redeemable, voting, non-participating special shares without par value.

Outstanding:

62,562,882 common shares

Warrants

Exercise price	Expiry date	Number of warrants
\$0.50	June 9, 2022	2,393,850
\$2.00	January 5, 2023	1,321,770
\$1.55	January 5, 2023	158,771
\$3.75	March 26, 2023	3,335,000
\$5.25	March 26, 2023	397,975
		<hr/> 7,607,366

Stock options

The Company may grant stock options to directors, officers, employees and consultants for up to 10% of the issued and outstanding common shares. The exercise price for stock options will not be less than the market price of the common shares on the date of the grant, less any discount permissible under the rules of the TSXV. The maximum term for stock options is 5 years and stock options granted vest immediately.

Authorized:

6,256,288 stock options.

Outstanding:

Exercise price	Expiry date	Number of stock options outstanding and exercisable
\$0.55	January 27, 2022	750,000
\$0.77	February 7, 2022	100,000
\$0.87	November 30, 2022	100,000
\$0.70	June 12, 2023	50,000
\$0.40	February 18, 2025	1,555,000
\$0.60	June 8, 2025	755,000
\$4.45	February 1, 2026	1,030,000
		<hr/> 4,340,000

Restricted Share Unit Plan ("RSU Plan")

The Company adopted the RSU Plan, which was accepted by the TSXV on October 26, 2017, following the approval of the Company's shareholders on September 30, 2017. The maximum number of common shares in the capital of the Company which may be reserved for issuance under the RSU Plan at any time is 3,200,000, and in combination with all share compensation arrangements, including the Company's stock option plan, will not exceed 20% of the issued and outstanding common shares in the capital of the Company. To date no RSUs have been issued pursuant to the RSU Plan.

Authorized:

3,200,000 restricted share units.

Outstanding:

None.