ECO ORO MINERALS CORP.

Management's Discussion and Analysis

December 31, 2024

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INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Eco Oro Minerals Corp. ("Eco Oro", "we", "our" or the "Company"), our operations, financial performance, and current and future business environment. This MD&A is intended to supplement and complement the consolidated financial statements and notes thereto prepared in accordance with International Financial Reporting Standards ("IFRS") for the year ended December 31, 2024. This MD&A should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2024, which are available on the SEDAR website at www.sedar.com.

This MD&A is prepared as of April 30, 2025. All dollar amounts in this MD&A are expressed in thousands of Canadian dollars, unless otherwise specified. United States dollars and Colombian pesos are referred to as "US$" and "COP," respectively.

OVERVIEW

Eco Oro is a Canadian publicly-listed, precious metals exploration and development company. For over two decades, the Company's primary focus was its wholly-owned Angostura gold-silver deposit (the "Angostura Project"), located in the northeastern part of the Republic of Colombia ("Colombia"), as granted under Concession Contract 3452 and its predecessor titles, during which time it invested a significant amount in the project's development and in that of the surrounding communities. Historically, the Company aimed to maximize long-term value for its shareholders by developing its Angostura Project and its satellite prospects through to construction and mining. Despite the Company having diligently complied with Colombian regulations and its obligations under its mining titles, past measures of Colombia have deprived Eco Oro of its rights and rendered the Angostura Project unviable.

As explained below, Eco Oro submitted a claim against Colombia in relation to these measures under the Free Trade Agreement between Canada and Colombia signed on November 21, 2008 (the "Free Trade Agreement").

The Company filed a request for arbitration (the "Request for Arbitration") with the World Bank's International Centre for Settlement of Investment Disputes ("ICSID") against Colombia on December 9, 2016 ("ICSID Arbitration"). While the Company's primary objective was historically the development of the Angostura Project, in light of Colombia's measures, the ICSID Arbitration became the core focus of the Company.

On July 15, 2024, the arbitral tribunal (the "Tribunal") constituted under the auspices of the ICSID issued a 2-1 majority award on damages (the "Award on Damages"), with a dissenting opinion, awarding the Company no damages in relation to arbitration claims filed against the Republic of Colombia pursuant to the investment protection chapter of the Free Trade Agreement between Canada and Colombia (the "Treaty"). This follows a Decision on Jurisdiction, Liability and Directions on Quantum issued by the Tribunal on September 9, 2021 pursuant to which the Tribunal found that Colombia breached Article 805 of the Treaty in its treatment of Eco Oro's investment in the Angostura gold and silver mining project located in northeastern Colombia, which Eco Oro was pursuing in connection with Concession Contract 3452 (the "Decision on Liability").

The Company strongly disagrees with the Tribunal majority's Award on Damages, considering it deeply flawed, in direct contradiction to the original majority opinion of the Decision on Liability, and inconsistent with an objective assessment of the evidence presented. The Company is currently analyzing the Award on Damages with its legal advisors and evaluating its options.

ICSID ARBITRATION

Status of the ICSID Arbitration

In the ICSID Arbitration, Eco Oro seeks compensation for all of the loss and damage resulting from Colombia's wrongful conduct and its breaches of the protections set forth in the Free Trade Agreement against unfair and inequitable treatment in respect of the Angostura Project (the "ICSID Arbitration Claim"), as discussed further below.

On December 9, 2016, Eco Oro filed the Request for Arbitration against Colombia with ICSID. The claim relates to Colombia's measures which have deprived Eco Oro of its rights under its main mining title, Concession 3452, comprising the Angostura gold and silver deposit, thereby depriving Eco Oro of the returns that would have resulted from its investment in the development of the Angostura Project, and destroying the value of its investment, in violation of Colombia's obligations under the Free Trade Agreement.

The final hearing took place in Washington, D.C. from January 20 to 24, 2020, and on March 1, 2020, the Company filed its Post-Hearing Brief.

On September 9, 2021, the Tribunal issued a decision in respect of the ICSID Arbitration. The decision upheld Eco Oro's claims that Colombia had breached Article 805 of the Free Trade Agreement, by failing to accord fair and equitable treatment to Eco Oro's investments in Colombia relating to the Angostura Project. The Tribunal rendered certain findings with respect to damages, but did not determine the compensation to be awarded to Eco Oro as a result of Colombia's breach of the Free Trade Agreement. The Tribunal requested from the parties further submissions on damages on specific questions arising from its findings. The Company filed its first submission in response to the Tribunal's questions on January 14, 2022, Colombia filed its first submission on May 23, 2022, and the Company and Colombia filed its second submission on 7 July 2022 and August 22, 2022, respectively, in accordance with the procedural order from the Tribunal.

The Company sought US$696 million plus interest at a rate of 6.6% per annum, compounded semi-annually, as compensation for damages the Company sustained as a result of Colombia's measures. The Company did not record any amount in the financial statements as a contingent gain due to the ultimate uncertainty of the outcome.

On July 15, 2024, the Tribunal constituted under the auspices of the ICSID issued a 2-1 majority Award on Damages, with a dissenting opinion, awarding the Company no damages in relation to the ICSID Arbitration Claim. The Company is currently analyzing the Award on Damages with its legal advisors and evaluating its options.

CHANGE IN MANAGEMENT

- On September 1, 2024, Paul Robertson resigned as Chief Executive Officer of the Company.
- On September 13, 2024, Pierre Amariglio tendered his resignation as a member of the Company's board of directors.
- On September 13, 2024, Eric Tsung, the current Chief Financial Officer, assumed the role of Chief Executive Officer.

(Expressed in thousands of Canadian dollars unless otherwise specified)

OUTLOOK

The Company's immediate plans for the balance of the year are as follows:

- to analyze the Award on Damages and continue analyzing its options with respect thereto;
- to continue to assess the Company's activities, including monetization of certain of the Company's assets (including the potential disposition of assets, plant and equipment acquired for the Project) and cost-reduction to support the preservation of its core assets and rights, in an effort to mitigate losses;
- to carefully manage its cash resources;
- to continue to assess the Company's mining titles and related ongoing regulatory requirements; and
- the protection of its rights and interests in Colombia.

RESULTS OF OPERATIONS

Selected Financial Information

	For the years ended		
	December 31, 2024	December 31, 2023	December 31, 2022
	$	$	$
Exploration and evaluation expenses	558	905	681
General and administrative expenses	1,592	450	3,269
Other expenses (income)	5,500	2,232	1,970
Net loss	(7,650)	(3,587)	(5,920)
Total comprehensive loss	(7,548)	(4,053)	(5,627)
Basic and diluted loss per share	(0.07)	(0.03)	(0.06)

	As of		
	December 31, 2024	December 31, 2023	December 31, 2022
	$	$	$
Working capital (deficiency)	(7,653)	(4,277)	(2,374)
Total assets	370	481	1,129
Total liabilities	26,625	19,188	15,783
Share capital	324,928	324,928	324,928
Deficit	(421,618)	(413,968)	(410,381)

The change in working capital in the presented periods is mainly due to the cash used in operating activities, including the legal fees related to the ICSID Arbitration. The significant expense incurred in the periods presented is primarily related to the legal fees and other professional fees associated with Colombian regulatory compliance and legal advice provided with the ICSID Arbitration. The Company has no operating revenue and relies primarily on financing activities to fund its activities. There have been no distributions or cash dividends declared for the periods presented.

(Expressed in thousands of Canadian dollars unless otherwise specified)

Summary of Quarterly Results

The following table summarizes the Company's results of operations for the last eight quarters:

	December 31, 2024 (Q424) $	September 30, 2024 (Q324) $	June 30, 2024 (Q224) $	March 31, 2024 (Q124) $
Exploration and evaluation expenses (recovery)	(76)	192	234	208
General and administrative expenses (recovery)	648	353	181	410
Other income (expenses)	2,285	803	1,163	1,249
Net loss	(2,857)	(1,348)	(1,578)	(1,867)
Basic and diluted loss per share	(0.03)	(0.01)	(0.01)	(0.02)

	December 31, 2023 (Q423) $	September 30, 2023 (Q323) $	June 30, 2023 (Q223) $	March 31, 2023 (Q123) $
Exploration and evaluation expenses (recovery)	(100)	290	369	346
General and administrative expenses	(195)	237	222	186
Other income (expenses)	370	1,278	225	359
Net loss	(75)	(1,805)	(816)	(891)
Basic and diluted loss per share	(0.00)	(0.02)	(0.00)	(0.01)

The Company's exploration and evaluation expenditures are mainly related to the ongoing administrative costs incurred in Colombia. Except for Q424 and Q423, the Company's exploration and evaluation expenditures have remained relatively constant due to cost reduction initiatives implemented in 2021. In Q4234 and Q423, the Company recognized the gain on remeasurement of the site restoration provision. General and administrative expenses include the ongoing administrative costs incurred in Canada to provide support related to the Company's operations and the arbitration. The general and administrative expenses remain constant for the periods presented. The additional general and administrative expenses throughout the periods presented were mainly related to the arbitration expenses. In Q423, the company adjusted the previously overstated accrual for legal fees, resulting in a recovery of general and administrative expenses. "Other expenses (income)" mainly consists of finance costs, foreign exchange gain (loss), gain on disposal of plant and equipment and impairment recovery on exploration and evaluation assets.

Financial Performance for the three months and years ended December 31, 2024 and 2023

During the three and year ended December 31, 2024, the Company incurred a net loss of $2,857 and $7,650 representing an increase (decrease) of $2,782 and $4,063 compared to $75 and $3,587 during the three and year ended December 31, 2023, respectively.

The increase in net loss for the three months and year ended December 31, 2024, was primarily due to higher foreign exchange losses, finance costs, and legal and professional fees. These increases were partially offset by a reduction in exploration and evaluation expenses incurred in Colombia and the gain on disposal of property, plant and equipment.

(Expressed in thousands of Canadian dollars unless otherwise specified)

Exploration and evaluation expenses

The following table summarizes the Company's exploration and evaluation expenses for the relevant periods:

	For the three months ended		Change	
	December 31, 2024	December 31, 2023		
	$	$	$	%
Exploration and evaluation expenses				
Administrative expenses	101	101	-	-
Consulting	32	23	9	39%
Depreciation	1	1	-	-
Environmental	(229)	(642)	413	(64%)
Legal fees	(3)	32	(35)	(109%)
Other exploration and evaluation expenses	22	13	9	69%
Salaries and benefits	-	370	(370)	(100%)
Surface rights	-	2	(2)	(100%)
Total exploration and evaluation expenses	**(76)**	**(100)**	**24**	**(24%)**

	For the years ended		Change	
	December 31, 2024	December 31, 2023		
	$	$	$	%
Exploration and evaluation expenses				
Administrative expenses	311	481	(170)	(35%)
Consulting	117	23	94	409%
Depreciation	5	5	-	-
Environmental	23	(380)	403	(106%)
Legal fees	37	98	(61)	(62%)
Other exploration and evaluation expenses	63	46	17	37%
Salaries and benefits	-	626	(626)	(100%)
Surface rights	2	6	(4)	(67%)
Total exploration and evaluation expenses	**558**	**905**	**(347)**	**(38%)**

Administrative expenses include the ongoing administrative costs incurred in Colombia to provide support related to the Company's operations.

Consulting fees refer to the compensation provided to consultants, who are former employees of the Company, in Colombia. These fees are intended to support the Company's operations and cover expenses related to the ICSID Arbitration

Environmental expenses include the impact of the current period's changes in the site restoration provision. The cost estimates are updated periodically to reflect known developments and are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations. The environmental expenses during the three months and year ended December 31, 2024, and 2023 was mainly due to the gain on remeasurement of the fair value of the site restoration provision.

(Expressed in thousands of Canadian dollars unless otherwise specified)

Legal fees are mainly related to the Company's operations and the ICSID Arbitration.

Salaries and benefits are the salaries paid to the employees in Colombia to support the Company's operations and the ICSID Arbitration. In Year 2023, the Company decided to terminate the employment agreements with certain employees in Colombia and re-engage them as consultants to provide ongoing support on the operations in Colombia and arbitration-related matters.

General and administrative expenses

The following table summarizes the Company's general and administrative expenses for the relevant periods:

	For the three months ended			
	December 31, 2024	December 31, 2023	Change	
	$	$	$	%
General and administrative expenses				
Administrative expenses	73	85	(12)	(14%)
Legal and professional fees	520	(335)	855	(255%)
Management and directors' fees	55	55	-	-
Total general and administrative expenses	**648**	**(195)**	**843**	**(432%)**

	For the years ended			
	December 31, 2024	December 31, 2023	Change	
	$	$	$	%
General and administrative expenses				
Administrative expenses	276	287	(11)	(4%)
Legal and professional fees	1,107	(67)	1,174	(1,752%)
Management and directors' fees	209	230	(21)	(9%)
Total general and administrative expenses	**1,592**	**450**	**1,142**	**254%**

Legal fees and other professional fees were primarily incurred for professional services provided to the Company's officer, legal counsel for general corporate matters, legal advice related to the ICSID Arbitration, and other ICSID Arbitration-related expenses.

During the three months and year ended December 31, 2023, the Company recognized a recovery of legal and professional fees due to an adjustment in previously recorded accruals for legal fees. This adjustment reflects a refinement in estimates based on updated information.

Management and directors' fees were primarily associated with management fees paid to the Company's former CEO and directors' fees paid or accrued to the Company's board members.

(Expressed in thousands of Canadian dollars unless otherwise specified)

Other expenses (income)

The following table summarizes the Company's other expenses (income) for the relevant periods:

	For the three months ended		Change	
	December 31, 2024	December 31, 2023		
	$	$	$	%
Other income (expenses)				
Finance costs	1,126	811	315	39%
Foreign exchange gain (loss)	1,399	(430)	1,829	(425%)
Gain on disposal of property, plant and equipment	(218)	-	(218)	100%
Other income	(22)	(11)	(11)	100%
Total other income (expenses)	**2,285**	**370**	**1,915**	**518%**

	For the years ended		Change	
	December 31, 2024	December 31, 2023		
	$	$	$	%
Other income (expenses)				
Finance costs	4,020	2,837	1,183	42%
Foreign exchange gain (loss)	1,744	(375)	2,119	(565%)
Gain on disposal of property, plant and equipment	(218)	(188)	(30)	16%
Other income	(46)	(42)	(4)	10%
Total other income (expenses)	**5,500**	**2,232**	**3,268**	**146%**

Finance costs included the interest expenses of the loan payable and promissory notes.

Foreign exchange loss (gain) is primarily a result of the translation of the Company's U.S. cash and US$-denominated loans into Canadian dollars.

Gain on disposal of plant and equipment
Gain on disposal of plant and equipment was primarily related to the proceeds from the disposition of the plant and equipment in Colombia which were impaired to $nil during the year ended December 31, 2016.

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2024, the Company had working capital deficiency of $7,653 (December 31, 2023 – $4,277) including cash of $207 (December 31, 2023 – $289).

The Company's ability to continue operations and fund future business activities is dependent on management's ability to secure additional financing. To date, the Company has not generated any profit through its operations.

On September 19, 2023, the Company entered into a credit agreement dated September 19, 2023 (the "Credit Agreement") with Graywolfe Capital SEZC ("Graywolfe") pursuant to which the Company may borrow up to US$6,000,000, of which US$4,500,000 will be used for operating activities and the US$1,500,000 will be used only available at the discretion of the lender under certain circumstances, from Graywolfe (the "Graywolfe Facility"). The outstanding principal amount of the Graywolfe Facility bears interest at a rate of 16.5% per annum and all obligations under the Graywolfe Facility are secured by a general security interest over certain assets and properties of the Company. Unless the Company prepays the Graywolfe Facility in accordance with its terms, the Company's outstanding obligations under the Graywolfe Facility must be repaid within five business days after the Company receives any proceeds from the ICSID Arbitration.

During the year ended December 31, 2024, borrowed an additional $2,033 (US$1,500,000) under the Graywolfe Facility. As of December 31, 2024, the outstanding balance including interest of the Graywolfe Facility is $6,888 (US$4,793,222). Subsequent to December 31, 2024, the Company withdrew US$750,000 under the Graywolfe Facility. If the Company determines to take further action with respect to the Award on Damages, additional funding may be required.

COMMITMENTS, CONTRACTUAL OBLIGATIONS & CONTINGENCIES

Contingent Value Rights and Promissory Notes

In 2016, the Company issued US$5,527,273 of CVRs (the "2016 CVRs") and US$9,672,727 aggregate principal amount of promissory notes (the "2016 Notes"). The 2016 Notes bear interest at a rate of 0.025% per annum and mature on June 30, 2028.

During the year ended December 31, 2019, the Company completed a financing (the "2019 Private Placement") in two tranches on April 9, 2019 and May 31, 2019, for aggregate gross proceeds of US$28,000,000 comprising (i) US$13,000,000 of CVRs (the "2019 CVRs") and (ii) US$15,000,000 of promissory notes (the "2019 Notes" and, together with the 2016 Notes, the "Notes"). The 2019 Notes bear interest at a rate of 0.025% per annum and mature on June 30, 2028.

During the year ended December 31, 2020, the Company issued an aggregate of US$17,984,260 CVRs (the "2020 CVRs" and, together with the 2019 CVRs and the 2016 CVRs, the "CVRs"). Holders of the 2020 CVRs are entitled to receive an amount of money from the ICSID Arbitration Claim ("Claim Proceeds"), with the amount they are entitled to receive (the "2020 Total CVR Amount") to be based on the amount of time between the closing of the 2020 Private Placement and payment of the Claim Proceeds. Because the 2020 Total CVR Amount will be funded by the re-direction of amounts to which the holders of 2016 CVRs and 2019 CVRs would otherwise be entitled to receive, the 2020 Private Placement will not have any impact on the amount of Claim Proceeds (if any) retained by the Company.

Under the terms of the CVRs and the Notes, any Claim Proceeds the Company receives (net of any amounts paid to Graywolfe pursuant to the Graywolfe Facility) will be distributed or retained in the following order of priority (in each case to the extent that the amount of any Claim Proceeds is sufficient):

1) to the holders of the CVRs and the Notes, an amount equal to the accrued and unpaid default interest, fees, expenses or indemnity obligations in respect of the CVRs and the 2016 Notes;

2) to the holders of the Notes, an amount equal to the aggregate amount of interest and indebtedness owed by the Company to the holder of the Notes (of which approximately US$24.7 million is outstanding as of the date hereof);

3) to the holders of the CVRs and eligible participants ("MIP Participants") in the MIP (as defined below), an amount equal to the lesser of (i) US$460,000,000 and (ii) 95% of the Claim Proceeds;

4) to the Company, US$30,000,000;

5) to holders of the CVRs and the MIP Participants, until the aggregate distributions to such persons equals 95% of the Claim Proceeds; and
6) to the Company, the balance (if any) of the Claims Proceeds.

If and to the extent the Company is able to obtain any Claim Proceeds, the Company will not be entitled to retain any portion of such Claim Proceeds pursuant to step four of the distribution waterfall described above unless such Claim Proceeds (net of any amounts payable to Graywolfe pursuant to the Credit Agreement) exceed amounts payable to the holders of the Promissory Notes and CVRs in the first, second and third steps of the distribution waterfall described above.

Management Incentive Plan

During the year ended December 31, 2017, the Company implemented a management incentive plan (the "MIP") to incentivize certain key personnel toward the effective prosecution and collection of the ICSID Arbitration Claim.

Under the MIP, a committee of the board of directors of the Company (the "Committee") was appointed to administer the MIP and be responsible for, among other things, determining whether to grant participants under the MIP certain cash retention amounts that will not in aggregate exceed 5% of the gross proceeds of the ICSID Arbitration Claim.

Awards under the MIP are at the sole discretion of the Committee taking into consideration, among other things, the amount of the proceeds received from the ICSID Arbitration Claim and the time dedicated by each participant to the ICSID Arbitration Claim.

Contingencies

The Company is from time to time involved in various claims, legal proceedings and complaints arising in the ordinary course of business. Other than disclosed herein, the Company does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be required to pay by reason thereof, will have a material effect on the financial condition or future results of operations of the Company.

OUTSTANDING SHARE DATA

The Company's authorized share capital consists of an unlimited number of common shares issued without par value. The Company has a stock option plan.

As of the date of this MD&A, December 31, 2024, and 2023, the Company had 106,524,953 common shares issued and outstanding.

RELATED PARTIES

Key management personnel

Key management personnel include the members of the Board of Directors and the executive officer of the Company.

During the year ended December 31, 2024, and 2023, the short-term benefits incurred for the key management personnel were $361 and $365, respectively.

(Expressed in thousands of Canadian dollars unless otherwise specified)

The executive officer is entitled to termination benefits. In the event of termination without sufficient advance written notice, the executive officer is entitled to an amount of two months of their base compensation by way of lump sum payment.

The Company and Graywolfe entered into the Graywolfe Facility on September 19, 2023. The controlling shareholder of Graywolfe is Courtenay Wolfe, a director of the Company. While the transaction would ordinarily have been subject to the "minority approval requirements" set forth in Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Board of Directors, including its independent members, determined that the Company was eligible to rely on the exemption from minority approval requirements provided by Subsection 5.7(f) [Loan to Issuer, No Equity or Voting Component] of MI 61-101.

Transactions and balances

	For the years ended	
	December 31, 2024	December 31, 2023
	$	$
Graywolfe Capital SECZ ("Graywolfe")		
Directors' fees	56	61
Finance costs	927	161
	983	**222**
Croftcap Inc. ("Croftcap")		
Directors' fees	56	51
Eric T Consulting Corp.		
Management and professional fees	153	135
Quantum Advisory Partners LLP ("Quantum")		
Management and professional fees	40	60
TOTAL	**1,232**	**468**

Graywolfe is a company owned by one of the Company's current directors, Courtenay Wolfe. The services provided by Graywolfe were in the normal course of operations related to director fees. In addition, Graywolfe is the lender who provided the credit facility to the Company.

Croftcap is a company owned by one of the Company's current directors, Peter McRae. The services provided by Croftcap were in the normal course of operations related to director fees.

Eric T Consulting Corp. is a company owned by the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), Eric Tsung. The services provided by Eric T Consulting Corp. were in the normal course of operations related to CEO, CFO, accounting and corporate secretarial services.

Quantum is a limited liability partnership of which the Company's former CEO is the incorporated partner. The services provided by Quantum were in the normal course of operations related to CEO, CFO, accounting, corporate secretarial services and management services.

As of December 31, 2024, and 2023, the balances due to the Company's officers and directors, and the companies controlled by the Company's officers and directors included in trade and other payables are $129 and $nil, respectively.

In addition, as of December 31, 2024, and 2023, loan payables of $6,888 and $3,468, respectively, were due to Graywolfe.

FINANCIAL INSTRUMENTS

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and manner in which the Company manages these risks varies based upon management's assessment of the risk and available alternatives for mitigating risk. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support the Company's operations. These financial risks and the Company's exposure to these risks are provided in various tables in note 16 of our audited consolidated financial statements for the year ended December 31, 2024. For a discussion on the significant assumptions made in determining the fair value of financial instruments, refer also to note 2 of the consolidated financial statements for the year ended December 31, 2024.

CRITICAL ACCOUNTING ESTIMATES

The preparation of our consolidated financial statements requires management to use judgment and make estimates and assumptions that affect the reported amounts assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could materially differ from these estimates. Refer to note 2 of our annual audited consolidated financial statements for the year ended December 31, 2024 for a more detailed discussion of the critical accounting estimates and judgments.

NEW ACCOUNTING STANDARDS

The following amendments have been effective for annual reporting periods beginning on or after January 1, 2024:

Classification of Liabilities as Current or Non-Current – The IASB issued amendments to IAS 1 - Classification of Liabilities as Current or Non-current in January 2020, which have been further amended partially by amendments Non-current Liabilities with Covenants issued in October 2022. The amendments require that an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. Classification of liability is unaffected by the likelihood that the entity will exercise its right to defer settlement for at least twelve months after the reporting period. Subsequent to the release of amendments to IAS 1 Classification of Liabilities as Current or Non-Current, the IASB amended IAS 1 further in October 2022. If an entity's right to defer is subject to the entity complying with specified conditions, such conditions affect whether that right exists at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period and not if the entity is required to comply with the conditions after the reporting period. The amendments also provide clarification on the meaning of 'settlement' for the purpose of classifying a liability as current or non-current.

The Company concludes that the effect of such amendments did not have a material impact and therefore did not record any adjustments to the financial statements.

New accounting standards issued and not yet effective

The IASB has issued IFRS 18, Presentation and Disclosure in Financial Statements, replacing IAS 1, Presentation of Financial Statements. IFRS 18 introduces revised requirements for presenting and disclosing financial information, with the objective of improving consistency and comparability across entities. The updates include the definition of subtotals in the statement of profit or loss, such as operating profit and profit before financing and income taxes. Furthermore, it requires the disclosure of management-defined performance measures (MPMs), which are subtotals not specified by IFRS but represent management's view of performance. In addition, IFRS 18 enhances the principles of aggregation and disaggregation to ensure that material information is not obscured. This new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. The Company is currently evaluating the potential effects of IFRS 18 on its financial statements. Although the adoption of IFRS 18 is expected to improve the presentation and disclosure of financial information, it is not anticipated to have a material impact on the Company's financial position or performance.

OFF-BALANCE SHEET FINANCING ARRANGEMENTS

As of December 31, 2024 and the date of this MD&A, the Company did not have any off-balance sheet financing arrangements.

PROPOSED TRANSACTIONS

No transactions are proposed.

RISKS AND UNCERTAINTIES

The business of the Company is subject to a variety of risks and uncertainties, including but not limited to, the ability of the Company to obtain a permanent solution with respect to any defaults that may exist under the investment agreement entered with Trexs Investments, LLC on January 10, 2020, the CVRs or the Notes. For a discussion of additional risks and uncertainties faced by the Company, please refer to the most recent Annual Information Form. These risks could materially adversely affect the Company's future business, operations and financial condition and could cause such future business, operations and financial condition to differ materially from the forward-looking statements and information contained in this MD&A and as described in under "Forward-Looking Statements" section below.

On July 15, 2024, the Tribunal constituted under the auspices of the ICSID issued a 2-1 majority Award on Damages, awarding the Company no damages in relation to the ICSID Arbitration Claim. Although the Company is analyzing the Award on Damages and evaluating its options with respect thereto, there can be no certainty that the Company will receive any Claim Proceeds or, if the Company does receive any Claim Proceeds, that any portion of such Claims Proceeds will be available for distribution to the Company following distribution of such Claims Proceeds to the holders of the CVRs and the holders of the 2016 Notes and 2019 Notes as described under the heading "Commitments, Contractual Obligations & Contingencies – Contingent Value Rights and Promissory Notes".

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Management Discussion and Analysis constitute forward-looking statements. Forward-looking statements include, but are not limited to, statements with respect to the ICSID Arbitration under the Free Trade Agreement, the Company's ability to obtain additional funding, estimated capital expenditures, currency fluctuations, requirements for additional capital, government regulation of mining operations and environmental risks or claims.

Forward-looking statements involve 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 the forward-looking statements. The primary factors that could cause results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements relate to the ICSID Arbitration and the magnitude of the tax liability, if any, pertaining thereto.

Other risks could cause results to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements includes risks related to regulatory instability and those relating to all the Company's properties being located in Colombia, including, in addition to the regulatory risk, the political and economic risks ; accidents, labour disputes and other risks of the mining industry; as well as those factors discussed in the section entitled "Risk and Uncertainties" above.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company's forward-looking statements are based on the beliefs, expectations and opinions of management as of the date the statements are made, including, without limitation, with respect to the ICSID Arbitration, that the Company can access financing, and the Company does not assume any obligation to update any forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by law. For the reasons set forth above, readers should not place undue reliance on forward-looking statements.