LATIN AMERICAN MINERALS INC.

MANAGEMENT DISCUSSION AND ANALYSIS

OF THE FINANCIAL POSITION AND RESULTS OF OPERATIONS

FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2019

Stated in Canadian Funds

Dated on April 29, 2020

TO OUR SHAREHOLDERS

This management's discussion and analysis of the financial condition and results of operation ("MD&A") of Latin American Minerals Inc. ("Latin" or the "Company") should be read in conjunction with Latin's audited annual consolidated financial statements for the year ended December 31, 2019 and related notes therein.

Except as otherwise indicated, all financial data in this MD&A have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

All dollar amounts in this MD&A are reported in Canadian dollars except where otherwise indicated. As at December 31, 2019, the Company had a working capital deficit of ($599,904) and had reported a net loss of ($61,990) for the three months ended December 31, 2019,(net loss of ($277,585) for the year ended December 31, 2019) has yet to achieve profitable operations and has an accumulated deficit of ($48,032,912). These continuing losses indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company is subject to risks and challenges similar to companies in a comparable stage of exploration and development. The Company's ability to continue as a going concern is dependent upon the ability to obtain financing and to ultimately to achieve and maintain profitable operations. Should profitable operations not be achieved, the Company will be required to obtain supplementary funding. The ability of the Company to achieve these objectives cannot be assured at this time and accordingly, these matters may cast significant doubt on the Company's ability to continue as a going concern. The Company's consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate, in which case adjustments that could be material to the carrying values of the assets and liabilities, the reported expenses and the statement of financial position reclassifications would be necessary.

Further information about the company, its operations and other continuous disclosure documents, including the Company's press releases and interim quarterly reports are available through its filings with the securities regulatory authorities in Canada at www.sedar.com and are also available on the Company's website www.latinamericanminerals.com.

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Expressed in Canadian Dollars

REPORT TO SHAREHOLDERS AND MANAGEMENT DISCUSSION AND ANALYSIS

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the 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.

Forward-Looking Information	Key Assumptions	Most Relevant Risk Factors
Future funding for ongoing operations	The Company will be able to raise these funds	The Company has disclosed that this may be difficult and failure to raise these funds will materially impact the Company's ability to continue as a going concern

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors in the "Risk Factors" section below. Readers are cautioned that the preceding table does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its anticipated results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

CORPORATE OVERVIEW

Latin American Minerals Inc. is a mining and mineral exploration corporation focused on the discovery, acquisition and development of potential mineral deposits globally. The Company has a Uranium exploration project in Butt Township, Nipissing District, Ontario Canada.

The Company is listed on the TSX Venture Exchange (the "Exchange" or "TSX-V") where it trades under the symbol "LAT".

Prior to the sale of the Company's subsidiary in Paraguay, Latin American Minerals Paraguay SA ("**LAMPA**") effective September 1, 2018, the focus of activity in 2018 was the exploration of the X-mile and discovery trend while also completing the reconfiguration of the Independencia Mine at the Paso Yobai project in Paraguay.

The Company completed approximately 5,400 meters of exploration drilling as part of its 2018 exploration program. The drill campaign was targeting a geophysical conductor with a coincident soil anomaly of copper, zinc and lead. The source of the copper, zinc and lead soil anomaly was identified as a mafic sill with anomalous base metals. The Company was unable to identify the conductor in the drill program. The drill campaign has proven a strike length of 300m, however, the results did not hold the grades of gold that the Company had expected. All indications were that the Company would need to significantly expand its exploration program in order to fully delineate the potential of the Paso Yobai gold project.

The Company took the decision to fully write down the carrying value of its mineral property assets and property, plant and equipment related to the Paso Yobai Project as at June 30, 2018 (please refer to the Company's MD&A for the three and six months ended June 30, 2018 for further details). The Paso Yobai project was sold as part of the sale of LAMPA on September 1, 2018.

On August 24, 2018, the Company entered into an option agreement granting it the right to earn a 100% ownership interest in the Butt Township uranium and rare-earth mineral property in Ontario. The Butt Township property is now the Company's sole focus.

SIGNIFICANT EVENTS AND TRANSACTIONS TO THE PERIOD

On April 24, 2019 the Company embarked on an airborne geophysical survey and data compilation of the Butt Township property, in keeping with the required spending commitments on the project. This survey was completed, and a report submitted for review on June 27, 2019. The area in which this survey was flown overlies several historical MDI mineral occurrences of rare-earth element mineralization. The survey demonstrated interesting findings of spherical high-magnetic domains (magnetic susceptibility values between approximately 53,750 and 53,850 nT) that occur in close proximity to the known rare-earth element occurrences. The presence of these highly magnetic domains may be related to and indicative of the presence of rare-earth element mineralization. The company is analyzing the prospects of a follow-on program to further explore the potential of mineralization. This program would involve the flying of further UAV-magnetic surveys, a ground-based electro magnetic survey.

On June 26, 2019, the Company announced that it had entered into a non-binding letter agreement dated May 8, 2019 ("Letter Agreement") with The Bullet ID Corporation ("Bullet"), a private company that provides a modernized inventory management system for Government agencies globally, outlining the proposed terms and conditions pursuant to which the Company and Bullet have agreed to merge their respective businesses resulting in a reverse takeover of the Company by Bullet (the "Proposed Transaction").

On August 27, The Company announced that, further to its press release dated June 26, 2019, the nonbinding letter agreement dated May 8, 2019 with Bullet to complete a business combination that would result in a reverse takeover of the Company, was been terminated in accordance with the provisions of the Letter Agreement. Furthermore, no deposits or cash advances were paid by the Company in connection with the Letter Agreement.

On October 21, 2019 the Company signed an amendment to its Butt Township property acquisition agreement. The amendment extended the time that the Company has to incur and additional $134,400 in exploration expenditures on the Butt Township property to August 20, 2020 from August 20, 2019. All other aspects of the Property Acquisition Agreement remain unchanged.

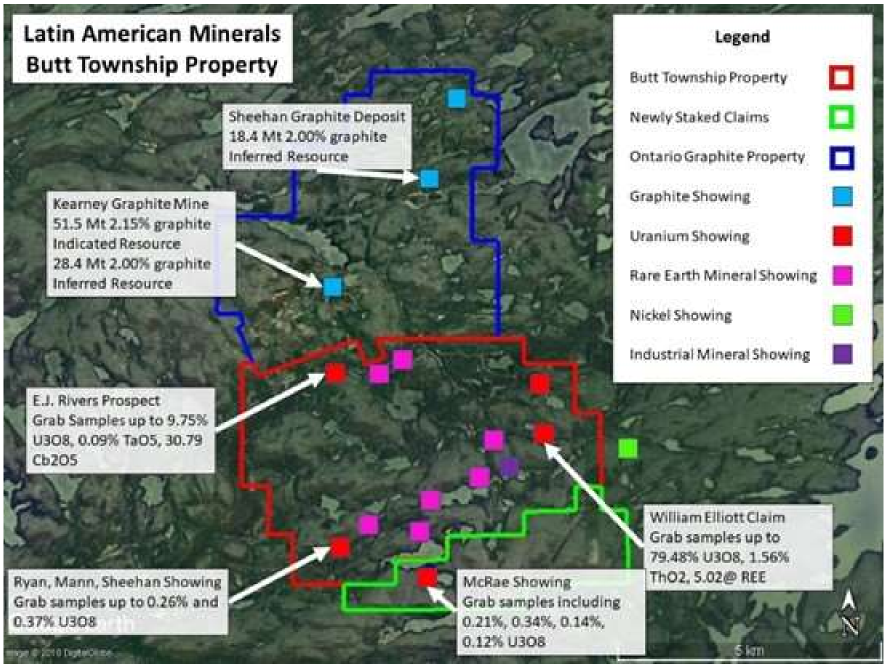
MINERAL EXPLORATION PROPERTIES

BUTT TOWNSHIP PROPERTY SUMMARY AND HIGHLIGHTS

The Property consists of 133 mineral claims covering approximately 1,621 hectares in Butt Township, District of Nipissing, Ontario. Uranium and rare-earth bearing pitchblende were discovered on the Property in the early 1900's. The Property lies within the Kiosk geological domain and is underlain by mafic, quartzo-feldspathic, and metapelitic geological units. These various geological units host radioactive granitic pegmatite dikes which contain minerals such as allanite, uraninite, pyrochlore, columbite, and other rare earth and uranium-bearing minerals.

Recent target-generation exploration work has been completed on the Property, including magnetometer and induced polarization geophysical surveys, geological mapping, and prospecting. The Property has never been drilled, but numerous historical trenching and small-scale mining operations have occurred on the Project. Advanced prospects on the Property include: the William Elliot & Mica Lake prospects, discovered in 1919 from which highly selective grab samples returned up to 79.5 % U3O8 along with high-grade rare earth elements; the Ryan, Mann and Sheehan prospect, discovered in 1921 from which selective grab samples returned up to 0.45 % U3O8 over a 3-foot chip sample; the E.J Rivers prospect, discovered in 1953 from which selective grab samples returned values of up to 9.75 % U3O8 along with high-grade rare earth elements. In addition, the Property is contiguous with Ontario Graphite's Kearney Mine property.

To view an enhanced version of this graphic, please visit:



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PROPOSED WORK PROGRAM

A two-phase exploration program has been proposed for the Property, which will cost roughly $200,000. The first phase, which consists of low impact exploration, will involve: 25 line kilometres of line cutting and ground electromagnetics over known showings and surrounding areas to identify areas prospective for uranium and rare earth element mineralization, and to determine depth extent of known mineralization; a drone survey of 150 line kilometres which will provide a high resolution magnetic map to identify structures as well as an ultra-high resolution orthophoto to assist with prospecting; and a crew of prospectors and geologists will conduct a mapping and sampling program. Phase two of the proposed program consists of extensive surface trenching, mapping, and channel sampling in order to validate historical showings and test newly generated targets. To date the Company has incurred $65,600 in exploration expenses on the property.

CLAIM STAKING

Following the review of historical and regional geological data, an additional 28 claims were staked. These claims cover the McRae Prospect, from which historical grab samples returned values of up to 0.21%, 0.34%, 0.12%, 0.14%, and 0.005% U3O8, and the interpreted extension of the uranium and rare-earth mineral bearing lithological units which are located at the margins of a magnetic high.

PROPERTY PAYMENT

Pursuant to the option agreement announced on August 24 between LAT and Griftco Corporation, LAT has made a cash payment of CDN $50,000 and issued a total of 5,000,000 common shares to Griftco. On November 11, 2019, the Company announced that it had amended the terms of its option agreement with Griftco (the "Amended Griftco Agreement"). The following payments and work expenditures are required as part of the Amended Griftco Agreement in order for the Company to exercise its option:

- the payments of $50,000 (paid) and the issuance of 5,000,000 (issued) common shares to Griftco on September 27, 2018, the date the TSX V granted approval of the transaction (the "Effective Date");

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- the payment of $25,000 (paid), the issuance of 2,500,000 (issued) Common Shares to Griftco on or before the first anniversary of the Effective Date. The Company has incurred $65,600 in expenditures on the property up to September 30, 2019 and has until August 20th, 2020 to incur an additional $134,400 in expenditures on the property.
- the payment of $25,000, the issuance of 2,500,000 Common Shares to Griftco on or before the second anniversary of the Effective Date;
- the payment of $25,000, the issuance of 2,500,000 Common Shares to Griftco and the Company incurring a further $200,000 in expenditures on the Property on or before the third anniversary of the Effective Date; and,
- the Company incurring a further $500,000 in expenditures on the Property on or before the fourth anniversary of the Effective Date.

QUALIFIED PERSON

A qualified person has not completed sufficient work to verify the historic information on the Property. Also note that the historical grab samples referenced above are selective in nature and may not be representative of mineralization on the Property. The information provides an indication of the exploration potential of the Property.

The technical information in this press release has been prepared in accordance with the Canadian regulatory requirements set out in National Instrument 43-101 ("NI 43-101") and reviewed and approved by Kelly Malcolm, P.Geo., an Independent Qualified Person under NI 43-101. Mr. Malcolm is a technical advisor to the Company.

REFERENCES

Geophysical Survey Report on the Butt Township Property, Butt Township, District of Nipissing, Ontario, for Dan Patrie Exploration Ltd., Prepared by: L.D.S. Winter, P.Geo., 23 January 2012.

Ontario Mineral Deposits Inventory, December 1, 2017.

NI 43-101 Technical Report and August 2013 Mineral Resource Estimate, Kearney Graphite Property, Ontario, Canada, Authored by Greg Greenough, P.Geo., of Golder Associates, Effective Date August 30, 2013.

RESULTS OF OPERATIONS

	Three Months Ended Dec-31-2019	Three Months Ended Dec-31-2018	Percentage Change	Year Ended Dec-31-2019	Year Ended Dec-31-2018	Percentage Change
General and Administrative Expenses						
General and administration	$20,825	$18,879	10.3%	$61,134	$136,335	(55.2%)
Non-cash compensation options	-	-	n/a	-	675,510	(100.0%)
Professional and management fees	81,308	270,782	(70.0%)	248,816	858,740	(71.0%)
Amortization	-	-	n/a	0	56,012	(100.0%)
Net operating loss for the period	$102,133	$289,661	(64.7%)	$309,950	$1,726,597	(82.0%)
Interest expense	-	0	n/a	-	22,492	n/a
Impairment of property plant and equipment	-	0	n/a	-	1,315,037	n/a
Impairment of exploration and evaluation assets	-	0	n/a	-	21,516,557	n/a
Loss on sale of subsidiary	-	40,762	n/a	-	(3,067,274)	n/a
Foreign exchange (gain)	(40,143)	(36,437)	10.2%	(32,365)	(63,631)	(49.1%)
Net (loss) for the period	($61,990)	($293,986)	(78.9%)	($277,585)	($21,449,778)	(98.7%)
Net (loss) per share basic	$0.00	$0.00	n/a	$0.00	($0.18)	(100.0%)
Foreign currency translation adjustments (gain) loss	$0	$0	n/a	$0	$374,795	(100.0%)
Comprehensive (loss) for the period	($61,990)	($293,986)	(78.9%)	($275,585)	($21,074,983)	(98.7%)

Expressed in Canadian Dollars

A more detailed breakdown of General and Administration expenses is as follows:

	For the three months ended December 31,		Percentage	For the year ended December 31,		Percentage
	2019	2018	Change	2019	2018	Change
Professional fees (legal and accounting)	$ 30,308	$ 217,962	(86.1%)	$ 35,897	$ 419,830	(91.4%)
Management fees	51,000	52,820	(3.4%)	204,000	429,940	(52.6%)
Directors' fees	-	6,000	na	6,000	8,000	(25.0%)
Listing and transfer agent fees	6,387	5,140	24.3%	17,407	34,155	(49.0%)
Insurance (D&O and P&C)	1,452	522	178.2%	6,087	9,054	(32.8%)
Office	11,277	6,688	68.6%	41,782	19,189	117.7%
Travel and entertainment	1,010	-	na	3,769	17,064	(77.9%)
Investor relations	699	529	32.1%	3,286	-	na
Gain on sale of equipment	-	-	na	(2,500)	-	na
Realized FX (gain) loss on revalutation of assets and liabilities	(40,143)	-	na	(40,143)	-	na
Paraguayan operating costs not capitalized to Mineral Property	-	-	na	-	56,343	(100.0%)
	$ 61,990	$ 289,661	(78.6%)	$ 275,585	$ 993,575	(72.3%)

Three Months Ended December 31, 2019

The net loss for the three months ended December 31, 2019, was ($61,990) compared to a net loss of ($293,986) for the three months ended December 31, 2018 The reduction in the net loss in the three months ended December 31, 2019 is a direct result of the Company selling its 100% ownership interest in LAMPA effective September 30, 2018 and its Minera Ita Pora subsidiary Effective December 31, 2018 thereby significantly curtailing the Company's operations in the three months to December 31, 2019 when compared to the three months ended December 31, 2018 where the Company incurred an increased level of professional fees on the sale of the two Paraguayan subsidiaries..

Overall general and administration expenses decreased by 78.6% compared to the three months ended December 31, 2018, as a result of the sale of the Company's Paraguayan subsidiaries in Q24 2018 drastically reducing the level of activity in Q4 2019 when compared to the prior period.

Other costs and expenses

The Company's continued focus on cost control during the three months ended December 31, 2019 led to a decrease in professional fees of (86.1%) and management fees of (3.4%) during the three months ended December 31, 2019, when compared to the three months ended December 31, 2018. This decrease is attributable to a significant reduction in activity at the Company that resulted from the sale of the Paso Yobai project and related management and professional fees incurred on the sale of the two Paraguayan subsidiaries in the prior period.

The Company curtailed much of its investor relations activity with outside consultants during the period as members of the management team became more active in these activities when compared to the prior period.

The foreign exchange gains and losses incurred are a result of fluctuations of the value of currencies in which the Company operates. For the three months ended December 31, 2019 the loss was a result of the change of FX rates had on the Company's USD denominated assets and liabilities

Year Ended December 31, 2019

The net loss for the year ended December 31, 2019, was ($277,585) compared to a net loss of ($21,449,778) for the year ended December 31, 2018. Excluding the loss associated with the sale of the Paso Yobai project the net loss for the year ended December 31, 2018 was ($66,779). The reduction in the net loss in the year ended December 31, 2019, compared to the net loss for year ended December 31, 2018 (excluding the impact of the net loss on the sale of the Paso Yobai project), is a direct result of the Company selling its 100% ownership interest in LAMPA effective September 30, 2018 thereby significantly curtailing the Company's operations during the year ended December 31, 2019.. The large loss incurred during the year ended December 31, 2018 was a result of the Company recording impairment charges on all of its property plant and equipment and exploration and evaluation assets that related to the

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Paso Yobai project in Paraguay reducing their carrying value to *$nil* as at June 30, 2018, slightly offset by the gain realized on the sale of the Paso Yobai project that closed September 30, 2018.

Overall general and administration expenses decreased by 57% compared to the year ended December 31, 2018, as a result of the decrease in activity during the period when compared to the prior period. The sale of the Company's Paso Yobai project on September 30, 2018 also resulted in the disposal of all of the Company's property plant and equipment and the assumption by the purchaser of the bank debt financing that was secured by the project. This resulted in the Company not incurring any interest or amortization expense during the year ended December 31, 2019 when compared to the year ended December 31, 2018.

Share based compensation was $nil during the year ended December 31, 2019 compared to share based compensation of $675,510 in the year ended December 31, 2018, accounting for a significant portion of the reduction in the net loss for the year ended December 31, 2019 when compared to the prior year when the loss associated the sale of the Company's Paraguayan subsidiaries is excluded.

Other costs and expenses

The Company's continued focus on cost control during the year ended December 31, 2019 led to a decrease in the overall net operating loss for the year ended December 31, 2019 by 99.0% when compared to the net operating loss for the year ended December 31, 2018 This decrease is attributable to a significant reduction in activity at the Company that resulted from the sale of the Paso Yobai project. This resulted in the elimination of a significant number of management positions at the Company that were providing primary services to the exploration activity at the project prior to its sale on September 30, 2018.

The Company curtailed much of its investor relations activity with outside consultants during the year ended December 31, 2019 as members of the management team became more active in these activities when compared to the prior period.

The foreign exchange gains and losses incurred are a result of fluctuations of the value of currencies in which the Company and its subsidiaries operate. For the three months and year ended December 31, 2019 the loss was a result of the change of FX rates had on the Company's USD denominated assets and liabilities

SUMMARY OF QUARTERLY RESULTS

Three months ended	31-Dec-19	30-Sep-19	30-Jun-19	31-Mar-19	Dec-31-2018	Sep-30-2018	Jun-30-2018	Mar-31-2018
	$	$	$	$	$	$	$	$
Total revenue	-	-	-	-	-	-	-	-
Profit (loss) for the period	($61,990)	($66,844)	($65,521)	($81,230)	($293,986)	$2,781,113	($23,007,580)	($891,015)
Comprehensive profit (loss)	($61,990)	($66,844)	($65,521)	($81,230)	($293,986)	$2,807,171	($22,785,001)	($764,857)
Income (loss) per share	$0.00	$0.00	$0.00	$0.00	$0.00	$0.02	($0.20)	($0.01)
Total assets	$720,755	$749,341	$784,798	$884,564	$929,667	$1,279,420	$301,920	$22,078,158
Working capital (deficiency)	($334,304)	($510,914)	($444,070)	($312,949)	($231,719)	$62,267	($2,003,252)	($1,016,887)

The comprehensive loss for the three months ended December 31, 2019 was the result of a significant reduction in the overall level of activity at the Company when compared to the three months ended December 31, 2018 due to the sale of 100% of the Company's ownership interest in the Company's LAMPA and MIP subsidiaries.

Expressed in Canadian Dollars

Selected Annual Information	Dec-31-2019	Dec-31-2018	Dec-31-2017	Dec-31-2016	Dec-31-2015
	$	$	$	$	$
Total assets	720,755	929,667	22,246,423	21,480,796	18,957,052
Total liabilities	$1,055,059	$1,011,386	$4,617,828	$2,825,465	($1,733,178)
Loss for the period	($275,585)	($21,449,778)	($2,438,621)	($3,095,022)	($1,420,371)
Comprehensive loss	($275,585)	($21,074,983)	($4,158,802)	($3,121,594)	($1,898,868)
Loss per share	$0.00	($0.18)	($0.03)	($0.06)	($0.12)

EXPLORATION AND EVALUATION ASSETS

	Butt Township	Paso Yobai	Total
Carrying value			
Balance January 1, 2018	**$ -**	**$ 19,114,839**	**$ 19,114,839**
Additions	150,000	1,734,793	1,884,793
Interest capitalized	-	2,792	2,792
Impairment of exploration and evaluation assets	-	(21,516,557)	(21,516,557)
Foreign exchange	-	664,133	664,133
Balance December 31, 2018	**$ 150,000**	**$ -**	**$ 150,000**
Additions for cash payments	25,000	-	25,000
Additions for shares	25,000	-	25,000
Additions - exploration expenditures	65,600	-	65,600
Balance December 31, 2019	**$ 265,600**	$ -	**$ 265,600**

During the year ended December 31, 2018 the Company recorded an impairment charge against the value of its Mineral Property assets as discussed earlier in this MD&A. The impairment resulted in the carrying value of the mineral property assets being reduced to nil as at June 30, 2018 prior to their ultimate disposition as part of the sale of 100% of the Company's ownership interest in its LAMPA subsidiary on September 1, 2018.

The Company capitalized the payment of $50,000 in cash and the issuance of 5,000,000 shares to Griftco under the Butt Township Option Agreement that was entered into on August 24, 2018. During the year ended December 31, 2019 the Company capiatlized the payment of $25,000 and the issuance of 2,500,000 shares to Griftco under the terms of the Butt Township Option Agreement and incurred exploration expenditures of $65,600 related to conducting airborne magnetic surveys and compiling a report on the findings of the survey in order to help guide additional exploration activity that the Company anticipates carrying out on the project

Provision for mineral property reclamation

The sale of 100% of the Company's ownership interest in its LAMPA subsidiary also saw the purchaser assume responsibility over any and all reclamation obligations in LAMPA, reducing the amount of reclamation obligation to $*nil* as at December 31, 2019 (December 31, 2018 – $*nil*).

OUTSTANDING SHARES

As at the date of this report the Company had 137,180,420 common shares, options outstanding of 6,795,000 and 45,707,279 warrants outstanding.

FINANCIAL POSITION AND LIQUIDITY

As at December 31, 2019 the Company's financial instruments consist of cash, sales tax recoverable; accounts payable and accrued liabilities. The Company has no speculative financial instruments, derivatives, forward contracts or hedges.

As at December 31, 2019 the Company had a working capital deficit of ($599,904) compared to working capital deficiency of ($231,719) as at December 31, 2018.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Financial instrument classification and measurement

Financial instruments of the Company carried on the Interim Condensed Consolidated Statement of Financial Position are carried at amortized cost with the exception of cash and cash equivalents, which is carried at fair value. There are no significant differences between the carrying value of financial instruments and their estimated fair values as at December 31, 2019 and December 31, 2018 due to the immediate or short-term maturities of the financial instruments.

b) Fair values of financial assets and liabilities

The Company's financial instruments include cash, sales tax recoverable, accounts payable and accrued liabilities. At December 31, 2019, the carrying value of cash and cash equivalents investments is fair value. Accounts payable and accrued liabilities approximate their fair value due to their short-term nature.

c) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. It is management's opinion that the Company is not exposed to significant credit risk arising from these financial instruments. The Company limits credit risk by entering into business arrangements with high credit-quality counterparties. Thus, the credit risk associated with other receivables is also considered to be negligible.

d) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

e) Currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures. The Company incurs certain expenditures in Paraguayan Guarani and in US dollars. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the functional currency of the Company or subsidiary that holds the financial asset or liability. The Company's risk management policy is to review its exposure to non-Canadian dollar forecast operating costs on a case-by-case basis. The majority of the Company's forecast operating costs are in Canadian dollars. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of foreign currency financial assets and liabilities in Canadian dollars as at December 31, 2019 was as follows:

Canadian Dollar amounts of foreign currency assets and liabilities

	Assets	Liabilities
US Dollars	$95,654	$813,709

Based on the financial instruments held as at December 31, 2019, a 10% shift in the Canadian dollar against these foreign currencies, with all other variables held constant, would result in an impact of $93,333 on the Company’s loss for the three months ended December 31, 2019. The Company's deficit would have changed by $93,333 had the Canadian dollar shifted by 10% as a result of foreign exchange effect on translation of non-Canadian dollar denominated financial instruments.

f) Liquidity risk

Prudent liquidity risk management implies maintaining at all times sufficient cash, liquid investments and committed credit facilities to meet the Company’s commitments as they arise. The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

As at December 31, 2019, the Company had a working capital deficit of ($599,904) (December 31, 2018 – ($231,719)) and anticipates that operating activities will not provide sufficient funds to cover all the Company's expenditures for the next 12 months. Cash constraints have caused the Company to consider financing alternatives while contemplating minimal shareholder dilution.

The Company's potential sources of cash flow in the upcoming year will be, possible equity financings, loans, lease financing and entering into joint venture agreements; or any combination thereof.

RISKS RELATED TO PROPERTY TITLE

Although the Company has taken steps to verify the title to the properties on which it is conducting its exploration, development and mining activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unrestricted prior agreements, unregistered claims, aboriginal land claims and non-compliance with regulatory and environmental requirements. The Company's mining and exploration activities are subject to laws and regulations relating to the environment, which are continually changing, and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to remain in compliance.

CAPITAL RESOURCES

The Company has no recent history of profitable operations. Therefore, it is subject to many risks common to comparable companies, including under-capitalization, cash shortages and limitations with respect to personnel, financial and other resources as well as a lack of adequate revenues.

It will be necessary for the Company to arrange for additional financing to meet its on-going exploration and overhead requirements.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. Although the Company successfully completed a financing during the current period, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing may be favourable.

CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing, selling assets, and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements. The Company does not currently have adequate sources of capital to complete its exploration plan, current obligations and ultimately the development of its business, and will need to raise adequate capital by obtaining equity financing, selling assets and incurring debt. The Company may raise additional debt or equity financing in the near future to meet its current obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements as at December 31, 2019 and as at the date hereof.

Expressed in Canadian Dollars

RELATED PARTY TRANSACTIONS

Related party transactions not disclosed elsewhere in the notes to financial statement are as follows:

Name and principal position	Year		Remuneration or fees (1)		Share based payments (1)		Included in accounts payable (1)
Mathew Wilson, CEO - management fees[2]	**2019**	**$**	**120,000**	**$**	**-**	**$**	**67,800**
	2018	$	120,000	$	64,364	$	5,650
Dennis Logan, CFO - management fees[2]	**2019**	**$**	**84,000**	**$**	**-**	**$**	**42,460**
	2018	$	56,000	$	38,618	$	3,955
Bira De Oliveira, COO - management fees	**2019**	**$**	**-**	**$**	**-**	**$**	**21,921**
	2018	$	103,000	$	64,364	$	21,921
Jeremy Niemi, Director of Exploration[2]	**2019**	**$**	**-**	**$**	**-**	**$**	**-**
	2018	$	51,000	$	128,727	$	8,500
Directors -director fees	**2019**	**$**	**6,000**	**$**	**-**	**$**	**12,000**
	2018	$	8,000	$	218,836	$	6,000

(1) Amounts disclosed were paid or accrued to the related party during the year ended December 31, 2019 and 2018.

(2) Amounts paid to the individuals indirectly through companies controlled by the related party.

These transactions were in the normal course of operations and are measured at their exchange amount, which is the amount of consideration established and agreed to by the related parties.

SEGMENTED INFORMATION

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

As at December 31, 2019 all of the Company's non-current assets were located in Canada. As at December 31, 2018, all of the Company's non-current assets were located in Canada.

MANAGEMENT

The Company is dependent upon the personal efforts and commitments of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

New Accounting Standards Issued and Adopted in the Current Period

New standard IFRS 16 "Leases"

This new standard replaces IAS 17 "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The Company currently holds a month-to-month lease for office space and the adoption of this standard did not have an impact on its unaudited condensed interim consolidated financial statements. In the future, should the Company enter into leases, the recognition of certain leases can be expected to increase the assets and liabilities on the consolidated statements of financial position.

RISK FACTORS

Companies operating in the mining industry face many and varied kinds of risks. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practical. Following are the risk factors most applicable to the Company:

Exploring and developing mineral resource projects bears a high potential for all manner of risks. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. Moreover, even one such factor may result in the economic viability of a project being detrimentally impacted such that it is neither feasible nor practical to proceed. The Company closely monitors its activities and those factors that could impact them, and employs experienced consulting, engineering, insurance and legal advisors to assist in its risk management reviews.

Although the Company has taken steps to verify the title to mineral properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

There can be no guarantees that the Company will be able to obtain or maintain all the necessary licenses and permits to extract and process minerals, explore, develop, or maintain its continued operations, or that the Company will be able to comply with all the conditions imposed.

The Company files applications in the ordinary course to renew the permits associated with its mining and exploration licenses that it deems necessary and/or advisable for the continued operation of its business. Certain of the Company's permits to operate that are associated with the mining license are currently under application for renewal. There is no guarantee that the Company will be able to renew any or all of the necessary permits in order to continue operating and conducting exploration activities on areas covered by licenses and permits that are not renewed or are revoked.

At present the principal activity of the Company is the exploration and development of resource properties. The feasible development of such properties is highly dependent upon the price of ore commodities. A sustained and substantial decline in these commodity prices could result in the write-down, termination of exploration and development work or loss of its interests in identified resource properties. Although such prices cannot be forecasted with certainty, the Company carefully monitors factors that could affect these commodity prices in order to assess the feasibility of its resource projects.

The success of exploration programs, development programs and other transactions related to mining concessions could have a significant impact on the need for capital. If the Company decides to develop one of its properties, it must ensure that it has access to the required capital. The Company could finance its need for capital by using working capital, by arranging partnerships or other arrangements with other companies, through equity financing, by taking on long-term debt or any combination thereof.

The Company has pledged certain of its assets as security in order to obtain additional capital through loans. Should the Company fail to pay or remedy an event of default (as defined under the loan agreements) the holder of the security would then be able to seize and dispose of the secured assets.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this Management Discussion and Analysis on April 29, 2020.

A CAUTIONARY NOTE

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of the Corporation, its subsidiaries and its projects, the future supply, demand, inventory, production and price of minerals, the estimation of reserves and resources, the realization of reserve estimates, the timing and amount of estimated future production, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, government regulation operations, environmental risks, reclamation expenses, title disputes or claims, limitations of insurance coverage and the timing and possible outcome of pending litigation and regulatory matters.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of resources; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the resource industry; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Although the Corporation 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 to differ from those 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. Accordingly, readers should not place undue reliance on forward-looking statements.

Respectfully submitted on behalf of the Board of Directors,

"Mathew Wilson"

MathewWilson

President & CEO