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**Amerigo Resources Ltd.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2021**

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THIS DOCUMENT CONTAINS FORWARD-LOOKING STATEMENTS. REFER TO THE CAUTIONARY LANGUAGE UNDER THE HEADING "CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION" (PAGE 21).

AMOUNTS REPORTED IN U.S. DOLLARS, EXCEPT WHERE INDICATED OTHERWISE.

ABOUT AMERIGO

Amerigo Resources Ltd. (“Amerigo”) owns a 100% interest in Minera Valle Central S.A. (“MVC”), a producer of copper and molybdenum concentrates. MVC, located in Chile, has a long-term contract with Codelco’s DET to process fresh and historic tailings from El Teniente. El Teniente, in production since 1905, is the world’s largest underground copper mine. Refer to Agreements with Codelco’s DET (page 17).

MVC currently operates under a tolling agreement with DET and title to the copper concentrates produced by MVC remains with DET. MVC earns copper tolling revenue, calculated as the gross value of copper produced at applicable market prices net of notional items, which include treatment and refining charges, DET copper royalties and transportation costs.

Molybdenum concentrates produced at MVC are sold under sales agreement with Chile’s Molibdenos y Metales S.A. (“Molymet”) and Glencore Chile SpA (“Glencore”).

Amerigo’s shares are listed for trading on the Toronto Stock Exchange (“TSX”) and traded in the United States on the OTCQX.

PURPOSE OF MD&A AND IDENTIFICATION OF NON-IFRS MEASURES

This MD&A of the results of operations and financial position of Amerigo together with its subsidiaries (collectively, the “Company”), is prepared as of November 3, 2021.

It should be read in conjunction with Amerigo’s condensed interim consolidated financial statements and related notes for the three and nine months ended September 30, 2021, and the audited consolidated financial statements and related notes for the year ended December 31, 2020.

Amerigo’s interim financial statements are reported in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) as applicable to interim financial reporting. The financial data in this MD&A is derived from Amerigo’s financial statements, except non-IFRS measures which are indicated as such.

Our objective in preparing this MD&A is to help the reader understand the factors affecting the Company’s current and future financial performance.

Non-IFRS Measures

In this MD&A we refer to the terms “cash cost” and “total cost”, which are performance measures commonly used in the mining industry that are not defined under IFRS. Cash cost is the aggregate of smelting and refining charges, tolling/production costs net of inventory adjustments and administration costs, net of by-product credits. Cash cost per pound produced is based on pounds of copper produced and is calculated by dividing cash cost over the number of pounds of copper produced. Total cost is equal to the aggregate of cash cost, DET notional copper royalties and DET molybdenum royalties, and depreciation. Another non-IFRS measure used by the Company is “operating cash flow before changes in non-cash working capital”. This is calculated by adding back the decrease or subtracting the increase in changes in non-cash working capital to or from cash provided by (used in) operating activities. A tabular reconciliation of cash provided by operating activities and operating cash flow before changes in non-cash working capital in Q3-2021, Q3-2020, YTD-2021 and YTD-2020 is available on page 7.

These non-IFRS performance measures are included in this MD&A because they provide key performance measures used by management to monitor operating performance, assess corporate performance, and to plan and assess the overall effectiveness and efficiency of Amerigo’s operations. These performance measures are not standardized financial measures under IFRS and, therefore, amounts presented may not be comparable to similar financial measures disclosed by other issuers. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

A tabular reconciliation of cash and total costs to tolling and production costs in Q3-2021 and Q3-2020 is available on page 12.

QUARTERLY HEADLINES

Key performance metrics	Q3-2021	Q3-2020	Change	
			\$	%
Copper produced (million pounds) ¹	16.0	14.7	1.3	9%
Copper delivered (million pounds) ¹	16.9	15.0	1.9	13%
Revenue (\$ thousands) ²	48,132	37,555	10,577	28%
DET notional copper royalties (\$ thousands)	20,594	9,839	10,755	109%
Tolling and production costs (\$ thousands)	33,940	28,572	5,368	19%
Gross profit (\$ thousands)	14,192	8,983	5,209	58%
Net income (\$ thousands)	8,420	5,388	3,032	56%
Earnings per share	0.05	0.03	0.02	67%
Earnings per share (Cdn\$)	0.06	0.04	0.02	50%
Operating cash flow before change in non-cash working capital (\$ thousands) ³	14,067	10,738	3,329	31%
Cash flow paid for plant and equipment (\$ thousands)	(6,022)	(540)	(5,482)	1015%
Cash and cash equivalents (\$ thousands)	64,945	10,471	54,474	520%
Restricted cash (\$ thousands)	6,441	-	6,441	100%
Borrowings (\$ thousands) ⁴	36,053	53,261	(17,208)	(32%)
MVC's copper price (\$/lb) ⁵	4.23	3.04	1.19	39%
MVC's molybdenum price (\$/lb) ⁶	18.19	7.37	10.82	147%

Notes:

¹ Copper production conducted under a tolling agreement with DET.

² Revenue reported net of notional items (smelting and refining charges, DET notional copper royalties and transportation costs).

³ A non-IFRS measure.

⁴ At September 30, 2021, comprised of short and long-term portions of \$9.2 and \$26.8 million, respectively.

⁵ MVC's copper price is the average notional copper price for the period, before smelting and refining, DET notional copper royalties, transportation costs and settlement adjustments to prior period sales.

⁶ MVC's molybdenum price is the average realized molybdenum price in the period, before roasting charges and settlement adjustments to prior period sales.

Amerigo reported quarterly net income of \$8.4 million

- Q3-2021 net income increased to \$8.4 million (Q3-2020: \$5.4 million) due to higher production and higher metal prices.
- Q3-2021 earnings per share ("EPS") was \$0.05 (Cdn\$0.06) (Q3-2020: \$0.03 (Cdn\$0.04)).
- The Company generated operating cash flow before changes in non-cash working capital (a non-IFRS measure) of \$14.1 million in Q3-2021 (Q3-2020: \$10.7 million). Quarterly net operating cash flow was \$25.4 million (Q3-2020: \$15.4 million).

MVC produced 16.0 million pounds of copper during Q3-2021 at a cash cost of \$1.62 per pound

- Q3-2021 production was 16.0 million pounds of copper (Q3-2020: 14.7 million pounds) including 7.4 million pounds from Cauquenes (Q3-2020: 8.0 million pounds) and 8.6 million pounds from fresh tailings (Q3-2020: 6.7 million pounds).
- Molybdenum production in Q3-2021 was 0.3 million pounds (Q3-2020: 0.4 million pounds).

- Q3-2021 cash cost (a non-IFRS measure, page 12) decreased 10% to \$1.62 per pound (“/lb”) (Q3-2020: \$1.80/lb).
- Q3-2021 total cost (a non-IFRS measure, page 12) increased to \$3.24/lb (Q3-2020: \$2.78/lb), due mostly to an increase of \$0.66/lb in DET notional royalties from higher metal prices.

MVC’s average copper price in Q3-2021 was \$4.23/lb

- In Q3-2021, MVC’s average quarterly copper price was \$4.23/lb, 39% higher than the Q3-2020 average quarterly copper price of \$3.04/lb. MVC’s average quarterly molybdenum price was \$18.19/lb, 147% higher than the Q3-2020 average quarterly price of \$7.37/lb.
- Revenue during Q3-2021 was \$48.1 million (Q3-2020: \$37.6 million), including copper tolling revenue of \$42.5 million (Q3-2020: \$35.5 million) and molybdenum revenue of \$5.6 million (Q3-2020: \$2.1 million).
- Copper tolling revenue is calculated from MVC’s gross value of copper produced during Q3-2021 of \$72.0 million (Q3-2020: \$44.3 million) and negative fair value adjustments to settlement receivables of \$2.9 million (Q3-2020: positive fair value adjustments of \$5.9 million), less notional items including DET royalties of \$20.6 million (Q3-2020: \$9.8 million), smelting and refining of \$5.5 million (Q3-2020: \$4.4 million) and transportation of \$0.5 million (Q3-2020: \$0.5 million). The Q3-2021 settlement adjustments included \$2.4 million in negative settlement adjustments in respect of Q2-2021 production, which are final adjustments.
- The Company’s financial performance is very sensitive to changes in copper prices. MVC’s Q3-2021 provisional copper price was \$4.23/lb, and final prices for July, August, and September sales will be the average London Metal Exchange (“LME”) prices for October, November, and December, respectively. A 10% increase or decrease from the \$4.23/lb provisional price used on September 30, 2021 would result in a \$7.2 million change in revenue in Q4-2021 in respect of Q3-2021 production.

On September 30, 2021, cash and restricted cash balance was \$71.4 million, with working capital of \$21.6 million

- On September 30, 2021, the Company held cash and cash equivalents of \$64.9 million (December 31, 2020: \$14.1 million), restricted cash of \$6.4 million (December 31, 2020: \$nil) and had working capital of \$21.6 million (December 31, 2020: working capital deficiency of \$6.1 million).
- With the improved cash balance and financial flexibility at September 30, 2021, Amerigo commenced a substantial issuer bid to purchase for cancellation from Amerigo shareholders who choose to participate up to Cdn\$25 million in value of its common shares. Amerigo also reached a decision to reinstate the declaration and payment of steady dividends on a quarterly basis commencing in Q4-2021 (see **Subsequent Events**).

COVID-19 effect on financial results and ongoing uncertainty

- In March 2020, the World Health Organization declared a global pandemic related to COVID-19. The current and expected impacts from the pandemic on the global economy are anticipated to be far reaching. To date, there has been significant volatility in stock markets, commodity and foreign exchange markets and the global movement of people and some goods has become restricted. There is significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impact that it may have on the demand and on the market prices of copper and molybdenum, supply chains, and on global financial markets.
- The Company’s financial results were substantially impacted during the first half of 2020 as a result of lower copper prices. Commodity market fluctuations resulting from COVID-19 may impact the Company’s financial results and liquidity.
- MVC has not experienced production interruptions or significant disruption to its supply chain because of the COVID-19 global pandemic.

- Refer to Cautionary Statement on Forward Looking Information (page 21).

SUMMARY OF FINANCIAL RESULTS Q3-2021 TO Q3-2020

	Q3-2021	Q2-2021	Q1-2021	Q4-2020	Q3-2020
	\$	\$	\$	\$	\$
Copper production, million pounds ¹	15.988	14.987	15.501	16.449	14.685
Copper deliveries, million pounds ¹	16.903	15.133	15.109	15.904	14.963
MVC's copper price (\$/lb)	4.23	4.37	4.08	3.52	3.04
Financial results (\$ thousands)					
Revenue					
Gross value of copper produced	72,001	66,634	58,143	56,015	44,306
Adjustments to fair value of settlement receivables	(2,867)	4,758	8,530	5,346	5,937
	69,134	71,392	66,673	61,361	50,243
Notional items deducted from gross value of copper produced:					
DET royalties - copper	(20,594)	(20,183)	(15,991)	(12,355)	(9,839)
Smelting and refining	(5,499)	(4,944)	(4,762)	(4,905)	(4,480)
Transportation	(520)	(524)	(519)	(511)	(478)
Copper tolling revenue	42,521	45,741	45,401	43,590	35,446
Molybdenum and other revenue	5,611	4,762	3,506	3,598	2,109
	48,132	50,503	48,907	47,188	37,555
Tolling and production costs					
Tolling and production costs	(27,212)	(25,289)	(23,834)	(25,376)	(22,587)
Depreciation and amortization	(4,325)	(4,321)	(4,376)	(4,350)	(4,270)
Administration	(1,288)	(1,175)	(1,262)	(1,227)	(1,448)
DET royalties - molybdenum	(1,115)	(591)	(557)	(506)	(267)
	(33,940)	(31,376)	(30,029)	(31,459)	(28,572)
Gross profit	14,192	19,127	18,878	15,729	8,983
Other expenses					
Derivative to related parties including changes in fair value	(85)	8	(377)	(1,359)	(303)
Salaries, management and professional fees	(614)	(548)	(758)	(950)	(457)
Office and general expenses	(205)	(186)	(401)	(88)	(115)
Share-based payment compensation	(188)	(188)	(89)	(43)	(32)
	(1,007)	(922)	(1,248)	(1,081)	(604)
Foreign exchange (loss) gain	(460)	(129)	(489)	1,013	(86)
Loss on inventory adjustments	-	-	-	(2,376)	-
Writedown of obsolete equipment and supplies	(9)	(86)	(749)	-	-
Other gains (losses)	15	69	26	(1)	71
	(454)	(146)	(1,212)	(1,364)	(15)
	(1,546)	(1,060)	(2,837)	(3,804)	(922)
Operating profit	12,646	18,067	16,041	11,925	8,061
Finance expense	(1,102)	(2,136)	(856)	(719)	(784)
Income before income tax	11,544	15,931	15,185	11,206	7,277
Income tax expense	(3,124)	(4,345)	(4,260)	(2,899)	(1,889)
Net income	8,420	11,586	10,925	8,307	5,388
Earnings per share - basic	0.05	0.06	0.06	0.05	0.03
Earnings per share - diluted	0.05	0.06	0.06	0.04	0.03
Unit tolling and production costs	2.01	2.07	1.99	1.98	1.91
Cash cost (\$/lb) ²	1.62	1.81	1.88	1.65	1.80
Total cost (\$/lb) ²	3.24	3.49	3.23	2.70	2.78
Uses and sources of cash (\$thousands)					
Operating cash flow before non-cash working capital changes	14,067	17,067	20,040	19,757	10,738
Net cash from operating activities	25,382	21,902	28,136	4,639	15,384
Cash (used in) from investing activities	(6,022)	(839)	3,289	(977)	(540)
Cash used in financing activities	(2,156)	(10,574)	(6,892)	(446)	(5,030)
Ending cash and cash equivalents	64,945	48,909	38,643	14,085	10,471
Ending restricted cash	6,441	4,200	-	-	-

Notes:

¹ Includes production from fresh tailings and Cauquenes tailings.

² Operating cash flow before non-cash working capital changes, cash and total costs are non-IFRS measures. Refer to page 7 for the basis of reconciliation of operating cash flow before non-cash working capital and net cash provided by operating activities and page 12 for the basis of reconciliation of cash and total cost to tolling and production costs.

A discussion on key quarterly variances (revenue and tolling and production costs) can be found on pages 14 and 15.

A reconciliation of operating cash flow before non-cash working capital and net cash provided by operating activities in Q3-2021, Q3-2020, YTD-2021, and YTD-2020 is presented below:

(Expressed in thousands)	Q3-2021	Q3-2020	YTD-2021	YTD-2020
	\$	\$	\$	\$
Net cash provided by operating activities	25,382	15,384	75,420	15,138
Add (deduct):				
Changes in non-cash working capital	(11,315)	(4,646)	(24,742)	(5,747)
Operating cash flow before non-cash working capital	14,067	10,738	50,678	9,391

OPERATING RESULTS

Copper production in Q3-2021 was 16.0 million pounds (Q3-2020: 14.7 million pounds) and copper deliveries were 16.9 million pounds (Q3-2020: 15.0 million pounds).

During Q3-2021 and Q4-2021, MVC undertook its annual plant maintenance shutdown, completely halting production for 8 days during September and 1 day during October 2021. The maintenance shutdown was completed successfully and on schedule. A total of 1,390 maintenance tasks and projects were completed. In 2020, the annual plant maintenance shutdown was completed in the first quarter.

Despite the maintenance shutdown, production from fresh tailings increased to 8.6 million pounds of copper in Q3-2021 (Q3-2020: 6.7 million pounds), due to higher throughput and higher grade. Recovery from fresh tailings was 22.3% in Q3-2021 (Q3-2020: 20.3%). During the quarter, MVC completed a series of planned plant optimizations aimed at processing a higher throughput of fresh tailings without sacrificing recovery. Production from fresh tailings in Q3-2021 accounted for 54% of production.

Given the higher volume of fresh tailings coming to the MVC plant, processing volume from Cauquenes at an average of 52,981 tonnes per day ("TPD") was lower than in Q3-2020, which had an average of 55,216 TPD. Copper grade from Cauquenes was slightly lower than in Q3-2020 as was the case with recoveries from Cauquenes.

MVC's average plant availability during Q3-2021 was 97.63%.

MVC's operations continued through Q3-2021 without any significant disruptions due to COVID-19.

At the end of Q3-2021, MVC had water reserves of 7.7 million cubic meters in Colihues. Amerigo believes that this level of water reserves is sufficient to ensure MVC's planned operations into 2022. MVC continues to assess its mid and long-term water supply risk, particularly given persistent drought conditions in Central Chile.

Molybdenum production during Q3-2021 was 0.3 million pounds (Q3-2020: 0.4 million pounds).

Production results for Q3-2021 and Q3-2020 are included below:

PRODUCTION	Q3-2021	Q3-2020
FRESH TAILINGS		
Tonnes per day	137,650	119,285
Operating days	84	92
Tonnes processed	11,562,611	10,974,235
Copper grade (%)	0.152%	0.136%
Copper recovery	22.3%	20.3%
Copper produced (M lbs)	8.62	6.68
CAUQUENES TAILINGS		
Tonnes per day	52,981	55,216
Operating days	81	79
Tonnes processed	4,267,203	4,362,040
Copper grade (%)	0.238%	0.245%
Copper recovery	33.0%	34.0%
Copper produced (M lbs)	7.37	8.00
COPPER		
Total copper produced (M lbs)	15.99	14.68
MOLYBDENUM		
Total molybdenum produced (M lbs)	0.32	0.37

2021 Production and Cash Cost Outlook

Amerigo's 2021 annual copper production is trending over its original guidance of 61.0 million pounds of copper. Annual molybdenum production is expected to be closer to 1.3 million pounds of molybdenum, compared to an original guidance of 1.5 million pounds. Annual cash cost is currently expected to be \$1.79/lb, in line with to the Company's original annual cash cost guidance.

FINANCIAL RESULTS – Q3-2021

Net income in Q3-2021 was \$8.4 million (Q3-2020: \$5.4 million), due to higher production and higher metal prices.

Revenue

Revenue in Q3-2021 was \$48.1 million (Q3-2020: \$37.6 million).

(Expressed in thousands)	Q3-2021 \$	Q3-2020 \$
Average LME copper price per pound	4.25	2.96
Gross value of copper produced ¹	72,001	44,306
Adjustments to fair value of settlement receivables	(2,867)	5,937
	69,134	50,243
Notional items deducted from gross value of copper produced:		
DET royalties - copper	(20,594)	(9,839)
Smelting and refining charges	(5,499)	(4,480)
Transportation	(520)	(478)
Copper tolling revenue	42,521	35,446
Molybdenum revenue	5,611	2,109
Revenue	48,132	37,555
MVC's copper price (\$/lb) ²	4.23	3.04
MVC's molybdenum price (\$/lb)	18.19	7.37

Notes:

1. Of the \$2.9 million in adjustments to fair value of settlement receivables, \$0.5 million are provisional adjustments in respect of Q3-2021 sales and \$2.4 million are final adjustments in respect of Q2-2021 sales (Q3-2020: positive adjustments of \$1.2 million were in respect of Q3-2020 sales and positive settlement adjustments of \$4.7 million were in respect of Q2-2020).
2. MVC's copper price is the gross copper selling price after taking into account the same quarter sales settlement adjustments. Therefore, this amount can vary from the average LME copper price per pound.

MVC produces copper concentrates under a tolling agreement with DET. Title to the copper concentrates produced by MVC is retained by DET and MVC earns tolling revenue, calculated as the gross value of copper produced at applicable market prices, plus or minus adjustments to the fair value of settlement receivables, net of notional items (DET copper royalties, treatment and refining charges and transportation costs).

Copper revenue is billed weekly based on the tolling activity of the preceding week, which is measured by the production of copper concentrates. Additional billings are done on a monthly basis based on the tolling activity for the full month, less weekly billings, and to bill for pricing term differences, as disclosed in the following paragraph.

MVC's compensation is determined in accordance with annual industry benchmarks for pricing terms and smelting and refining charges. In 2021, it is based on the average LME copper price for the third month following delivery of copper concentrates produced under the tolling agreement (M+3). Accordingly, final pricing for copper produced by MVC is determined based on the average LME copper price of the third month following delivery of copper, and final prices for July, August, and September sales will be the average LME prices for October, November, and December respectively. This variable difference gives rise to a derivative, changes in the fair value of which are recognized in revenue as settlement receivables.

At September 30, 2021, the provisional copper price used by MVC was \$4.23/lb. Financial performance is very sensitive to changes in copper prices. For example, a 10% increase or decrease from the \$4.23/lb

provisional price used on September 30, 2021 would result in a \$7.2 million change in revenue in Q4-2021 in respect of Q3-2021 production.

DET royalties on copper production are a notional item deducted from MVC's gross value of copper produced. In Q3-2021, DET notional copper royalties were \$20.6 million (Q3-2020: \$9.8 million) due to higher copper prices.

We disclose the terms for DET notional copper royalties and molybdenum royalties under Agreements with Codelco's DET (page 17).

Molybdenum produced by MVC is predominantly sold under a written sales agreement with Molymet. Revenue is billed monthly based on the quantity of concentrates delivered during the preceding month. Molymet can elect different pricing terms monthly. For July, August, and September 2021 pricing terms range from M to M+2 respectively in respect of the average Platt's molybdenum dealer oxide price of the month of sale. This variable difference also gives rise to a derivative, which is valued at fair value through profit or loss.

In Q3-2021, MVC's molybdenum sales price was \$18.19/lb (Q3-2020: \$7.37/lb).

Tolling and Production Costs

(Expressed in thousands)	Q3-2021	Q3-2020
	\$	\$
Direct tolling and production costs		
Power costs	7,503	7,801
Direct labour	2,776	2,770
Grinding media	2,177	1,957
Lime costs	1,628	2,094
Other direct tolling / production costs	13,128	7,965
	27,212	22,587
Depreciation and amortization	4,325	4,270
Administration	1,288	1,448
DET royalties - molybdenum	1,115	267
Tolling and production costs	33,940	28,572
Unit tolling and production costs (\$/lb)	2.01	1.91

During Q3-2021, power costs decreased by \$0.3 million or 4% compared to Q3-2020 mostly due to a 1% decrease in power consumption at MVC combined with a 3% decrease in power costs. Power costs in Q3-2021 were \$0.0922/kWh (Q3-2020: \$0.0968/kWh).

During Q3-2021, grinding media increased by \$0.2 million compared to Q3-2020 due to higher steel prices.

Lime costs decreased \$0.5 million due to decreased consumption and a lower price of lime.

In aggregate, other direct tolling and production costs increased by \$5.2 million in Q3-2021 due mostly to an increase in inventory adjustments of \$2.6 million due to higher deliveries than production in the quarter. Other increases include an increase of maintenance of \$0.8 million in connection with the annual plant maintenance shut down, \$0.5 million in molybdenum production costs, historic tailings extraction of \$0.4 million, process control, environmental and safety costs of \$0.5 million, an increase in subcontractors support services and copper reagents of \$0.5 million and an increase in filtration costs of \$0.1 million. This increase in costs was offset by a decrease in industrial water costs of \$0.2 million.

(Expressed in thousands)	Q3-2021	Q3-2020
	\$	\$
Other direct tolling costs		
Inventory adjustments	3,100	461
Maintenance, excluding labour	2,313	1,539
Molybdenum production costs	2,080	1,552
Historic tailings extraction	1,649	1,264
Process control, environmental and safety	1,158	644
Industrial water	886	1,105
Subcontractors, support services	833	549
Copper reagents	830	636
Filtration and all other direct tolling costs	279	215
	13,128	7,965

(\$/lb Cu)	Q3-2021	Q3-2020
Other direct tolling costs		
Inventory adjustments	0.19	0.03
Maintenance, excluding labour	0.14	0.10
Molybdenum production costs	0.13	0.11
Historic tailings extraction	0.10	0.09
Process control, environmental and safety	0.07	0.04
Industrial water	0.06	0.08
Subcontractors, support services	0.05	0.04
Copper reagents	0.05	0.04
Filtration and all other direct tolling costs	0.02	0.01
	0.82	0.54

Depreciation and amortization in Q3-2021 were \$4.3 million (Q3-2020: \$4.3 million).

Administration expenses during Q3-2021 were \$1.3 million (Q3-2020: \$1.4 million).

DET royalties for molybdenum in Q3-2021 were \$1.1 million (Q3-2020: \$0.3 million) due to higher molybdenum prices.

Other Gains and Expenses

Other expenses of \$1.5 million in Q3-2021 (Q3-2020: \$0.9 million) are costs not related to MVC's production operations and include:

- General and administration expenses of \$1.0 million (Q3-2020: \$0.6 million) including salaries, management, and professional fees of \$0.6 million (Q3-2020: \$0.5 million), office and general expenses of \$0.2 million (Q3-2020: \$0.1 million) and share-based payments of \$0.2 million (Q3-2020: \$nil).
- A \$0.1 million charge associated with the derivative to related parties (Q3-2020: \$0.3 million), including actual amounts paid or accrued to related parties of \$0.3 million (Q3-2020: \$0.3 million) and a decrease in the derivative's fair value of \$0.2 million (Q3-2020: \$nil).
- Other losses of \$0.5 million (Q3-2020: \$nil). In Q3-2021 there was a foreign exchange loss recorded for \$0.5 million (Q3-2020: \$ 0.1 million).

The Company's finance expense in Q3-2021 was \$1.1 million (Q3-2020: \$0.8 million) which includes interest on loans, leases, and bank charges of \$0.5 million (Q3-2020: \$1.2 million), as well as fair value changes on interest rate swaps ("IRS") of \$0.6 million (Q3-2020: recovery of \$0.4 million).

Income tax expense in Q3-2021 was \$3.1 million, including \$3.6 million in current tax and \$0.5 million in deferred income tax recovery. In Q3-2020 the Company had an income tax expense of \$1.9 million.

Deferred income tax recovery or expense results from the changes to deferred income tax liabilities, arising predominantly from the differences between the book and tax values of MVC's property, plant and equipment. Deferred tax liabilities do not represent income tax payable.

Cash Cost and Total Cost

Cash cost and total cost are non-IFRS measures prepared on a basis consistent with the industry standard Brook Hunt definitions.

The Company believes that these non-IFRS performance measures provide key performance measures used by management to monitor operating performance, assess corporate performance, and to plan and assess the overall effectiveness and efficiency of Amerigo's operations. These performance measures commonly used in the mining industry and are not defined under IFRS. Cash cost is the aggregate of smelting and refining charges, tolling/production costs net of inventory adjustments and administration costs, net of by-product credits. Total Costs include cash costs plus royalty expenses, by-product credits, and depreciation and amortization.

As these performance measures are not standardized financial measures under IFRS, the amounts presented may not be comparable to similar financial measures disclosed by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

A reconciliation of tolling and production costs to cash cost and total cost in Q3-2021 and Q3-2020 is presented below:

(Expressed in thousands)	Q3-2021	Q3-2020
	\$	\$
Tolling and production costs	33,940	28,572
Add (deduct):		
DET notional royalties - copper	20,594	9,839
Smelting and refining	5,499	4,480
Transportation costs	520	478
Inventory adjustments	(3,101)	(461)
By-product credits	(5,611)	(2,109)
Total cost	51,841	40,799
Deduct:		
DET notional royalties - copper	(20,594)	(9,839)
DET royalties - molybdenum	(1,115)	(267)
	(21,709)	(10,106)
Depreciation and amortization	(4,325)	(4,270)
Cash cost	25,807	26,423
Pounds of copper tolled from fresh and old tailings	15.99	14.68
Cash cost (\$/lb)	1.62	1.80
Total cost (\$/lb)	3.24	2.78

The Company's trailing quarterly cash costs (\$/lb of copper produced) were:

(\$/lb of copper produced)	Q3-2021	Q2-2021	Q1-2021	Q4-2020	Q3-2020
Power costs	0.47	0.54	0.52	0.50	0.54
Smelting & refining	0.35	0.33	0.31	0.30	0.31
Lime	0.10	0.12	0.13	0.13	0.14
Grinding media	0.14	0.14	0.16	0.14	0.14
Administration	0.08	0.08	0.08	0.06	0.10
Transportation	0.03	0.03	0.03	0.03	0.03
Other direct costs	0.80	0.89	0.88	0.72	0.68
By-product credits	(0.35)	(0.32)	(0.23)	(0.23)	(0.14)
Cash Cost	\$1.62	\$1.81	\$1.88	\$1.65	\$1.80

Cash cost in Q3-2021 decreased primarily due to increased production compared to Q3-2020 as well as an increase in by-product credits from the increase in both the molybdenum market price and production during the quarter.

The Company's trailing quarterly total costs (\$/lb of copper produced) were:

(\$/lb of copper produced)	Q3-2021	Q2-2021	Q1-2021	Q4-2020	Q3-2020
Cash cost	1.62	1.81	1.88	1.65	1.80
DET notional royalties/royalties	1.35	1.39	1.07	0.78	0.69
Amortization/depreciation	0.27	0.29	0.28	0.27	0.29
Total Cost	\$3.24	\$3.49	\$3.23	\$2.70	\$2.78

Total cost in Q3-2021 was \$3.24/lb (Q3-2020: \$2.78/lb), due to a \$0.66/lb increase in DET notional royalties mitigated by a \$0.18/lb decrease in cash cost and a \$0.02/lb decrease in depreciation.

FINANCIAL RESULTS – NINE MONTHS ENDED SEPTEMBER 30, 2021

YTD-2021, the Company generated net income of \$30.9 million or \$0.17 EPS (YTD-2020: net loss of \$2.2 million or \$0.01 LPS).

Revenue YTD-2021 was \$147.5 million (YTD-2020: \$79.2 million) and tolling and production costs were \$95.3 million (YTD-2020: \$79.5 million), resulting in a gross profit of \$52.2 million (YTD-2020: gross loss of \$0.3 million).

Revenue was positively impacted by higher production and stronger copper prices.

Other expenses were \$5.4 million (YTD-2020: other gains of \$0.2 million).

YTD-2021 finance expense was \$4.1 million (YTD-2020: \$4.5 million) and the Company posted an income tax expense of \$11.7 million (YTD-2020: recovery of \$2.4 million), driven by higher pre-tax income in the current year.

COMPARATIVE PERIODS

Amerigo's quarterly financial statements are reported under IFRS applicable to interim financial reporting.

The following tables provide highlights from Amerigo's financial statements of quarterly results for the past eight quarters.

	Q3-2021	Q2-2021	Q1-2021	Q4-2020
	\$	\$	\$	\$
Total revenue (thousands)	48,132	50,503	48,907	47,188
Net income (thousands)	8,420	11,586	10,925	8,307
EPS	0.05	0.06	0.06	0.05
Diluted EPS	0.05	0.06	0.06	0.04

	Q3-2020	Q2-2020	Q1-2020	Q4-2019
	\$	\$	\$	\$
Total revenue (thousands)	37,555	26,046	15,638	35,474
Net income (loss) (thousands)	5,388	(3,602)	(4,029)	633
EPS (LPS)	0.03	(0.02)	(0.02)	-
Diluted EPS (LPS)	0.03	(0.02)	(0.02)	-

Quarterly revenue variances result mostly from higher or lower copper deliveries (a factor of quarterly production), MVC's copper price (a factor of market prices) and adjustments to the fair value of settlement receivables.

The Company's revenues are highly sensitive to these variables, as summarized below:

	Q3-2021	Q2-2021	Q1-2021	Q4-2020	Q3-2020	Q2-2020	Q1-2020	Q4-2019
Copper sales/deliveries ¹	16.9	15.1	15.1	15.9	15.0	13.7	11.8	15.5
MVC's copper price	4.23	4.37	4.08	3.52	3.04	2.61	2.35	2.76
Settlement adjustments ²	(2.37)	5.30	5.04	5.35	4.77	(1.00)	(3.01)	1.04

Notes:

¹ Million pounds of copper sold under tolling agreements with DET.

² Adjustments to fair value of copper settlement receivables from prior quarters, expressed in millions of dollars.

In Q4-2019, the copper price recovered, and the Company had positive settlement adjustments of \$1.0 million. In Q1-2020, copper deliveries declined as a result of lower production driven by MVC's water preservation efforts due to drought conditions in central Chile and low plant recoveries. Additionally, copper prices dropped sharply due to the global pandemic, affecting quarterly revenue, and resulting in \$3.0 million in negative adjustments to prior quarter sales. In Q2-2020, revenue was positively impacted by a recovery in copper prices, an increase in copper delivered during the quarter and reduced final copper adjustments to prior quarter sales. In Q3-2020, Q4-2020, and Q1-2021, revenue was again positively impacted by both an increase in copper prices and an increase in copper delivered during the quarter. In Q2-2021, the copper delivered remained consistent with the previous quarter, but the revenue was impacted by a further increase in the price of copper. In Q3-2021, revenue was positively impacted by an increase in copper delivered during the quarter and negatively impacted by a decrease in copper prices and negative settlement adjustments.

In addition to revenue variances, the Company's quarterly results in the most recent eight quarters were also affected by higher or lower cost of sales:

	Q3-2021	Q2-2021	Q1-2021	Q4-2020	Q3-2020	Q2-2020	Q1-2020	Q4-2019
Tolling and production costs ¹	33.94	31.38	30.03	31.46	28.57	26.44	24.57	31.95
Unit tolling and production cost ²	2.01	2.07	1.99	1.98	1.91	1.93	2.32	2.07

Notes:

¹ Million of dollars.

² Tolling and production costs divided over pounds of copper delivered.

Tolling and production costs are affected by production levels, input costs (particularly power, lime and grinding media costs) and the depreciation or appreciation of the CLP to the U.S. dollar. In Q4-2019, tolling and production costs included \$2.3 million in signing bonuses paid to MVC workers, increasing unit costs as there was no higher output associated with this cost. Tolling and production costs declined in Q1-2020 due to a lower contractual power cost and other cost mitigation initiatives, but unit costs increased due to lower production levels in the quarter. In Q2-2020 and Q3-2020, total tolling and production costs increased due to higher production levels but decreased on a unit cost basis. In Q4-2020, tolling and production costs increased both in total and on a unit cost basis. In Q1-2021, total tolling and production costs decreased, but due to a decrease in production during the quarter, the unit cost increased. In Q2-2021, total tolling and production costs increased, but production during the quarter did not increase from the previous quarter, resulting in an increased unit cost. In Q3-2021, total tolling and production costs increased due to higher production levels but decreased on a unit cost basis.

FINANCIAL POSITION AND BORROWINGS

Cash Flow from Operating Activities

In YTD-2021, the Company generated net cash from operating activities of \$75.4 million (YTD-2020: \$15.1 million). Excluding the effect of changes in working capital accounts, the Company generated \$50.7 million in cash from operations in YTD-2021 (YTD-2020: \$9.4 million).

The Company operates in a cyclical industry with cash flow generating capacity closely correlated to market copper prices.

At September 30, 2021, the provisional copper price used by MVC was \$4.23/lb. Financial performance is very sensitive to changes in copper prices. For example, a 10% increase or decrease from the \$4.23/lb would result in a \$7.2 million change in revenue in Q4-2021.

Cash Flow from Investing Activities

YTD-2021, the Company received \$3.9 million from the sale of investments which were non-core investments, and which had experienced an increase in fair market value.

YTD-2021, the Company made payments of \$7.4 million (YTD-2020: \$1.8 million) which included \$5.7 million for Capex and \$1.7 million for capitalized maintenance.

Cash Flow used in Financing Activities

YTD-2021, the Company made debt repayments of \$52.5 million (YTD-2020: \$9.4 million) and received funds of \$33.8 million from a replacement term loan. YTD-2021 the Company made lease repayments of \$0.9 million (YTD-2020: \$1.0 million).

In YTD-2021 no proceeds were received from stock options exercised as they were exercised on a cashless basis. YTD-2020 the Company received \$0.1 million in proceeds from various exercises of stock options.

Financial Position

On September 30, 2021, the Company held cash and cash equivalents of \$64.9 million (December 31, 2020: \$14.1 million), restricted cash of \$6.4 million (December 31, 2020: \$nil) and had working capital of \$21.6 million (December 31, 2020: working capital deficiency of \$6.1 million).

With the improved cash balance and financial flexibility at September 30, 2021, Amerigo has commenced a substantial issuer bid to purchase for cancellation from Amerigo shareholders who choose to participate up to Cdn\$25 million in value of its common shares. Amerigo also reached a decision to reinstate the declaration and payment of dividends on a quarterly basis commencing in Q4- 2021 (see **Subsequent Events**).

Borrowings

(Expressed in thousands)	September 30, 2021	December 31, 2020
	\$	\$
Consolidated bank loan (a)	-	46,463
Term loan (b)	34,202	-
DET deferred settlements loan	1,851	7,305
	36,053	53,768
Comprise:		
Current portion of long-term debt	9,214	17,059
Long-term debt	26,839	36,709
	36,053	53,768

- (a) On March 25, 2015, MVC obtained a \$64.4 million loan facility to finance the Cauquenes Phase One expansion and on August 3, 2017, MVC obtained a \$35.3 million facility to finance the Cauquenes Phase Two expansion. On September 26, 2019, MVC completed a refinance of the Cauquenes Phase One and Phase Two loans. Under the refinance provisions, the principal outstanding on the Cauquenes loans was structured as a senior secured term loan facility (the "Consolidated Bank Loan") of \$56.3 million, with a repayment term of 4 years to September 26, 2023.

Interest on the Consolidated Bank Loan was synthetically fixed through an interest rate swap ("IRS"), accounted for at fair value through profit or loss, at a rate of 5.70% per annum for 80% of the facility. The remaining 20% of the facility was subject to a variable rate based on the US Libor six-month rate plus a margin of 2.85% per annum. The IRS had a term to September 26, 2023.

MVC had provided security on the Consolidated Bank Loan in the form of a charge on all of MVC's assets.

On June 29, 2021, MVC repaid the remaining outstanding principal amount of \$42.2 million on the Consolidated Bank Loan, along with accrued interest of \$0.3 million and an IRS break fee of \$2.3 million equal to the value of the IRS on June 29, 2021. For accounting purposes, this was treated as an extinguishment of debt within finance expense.

- (b) On June 30, 2021, MVC entered into a new finance agreement (the "Finance Agreement") with a syndicate of two banks domiciled in Chile, pursuant to which MVC has been provided with a replacement term loan (the "Term Loan") in the amount of \$35.0 million and a working capital line of credit (the "Line of Credit") of up to \$15.0 million.

The Term Loan has a 5-year term to June 30, 2026, with ten semi-annual installments of \$3.5 million each commencing on December 31, 2021, together with accrued interest. MVC may make early repayments without penalty in accordance with the provisions of the Finance Agreement. Interest on the Term Loan is synthetically fixed through an IRS, accounted for at fair value through profit or loss, at a rate of 5.48% per annum for 75% of the facility. The remaining 25% of the facility is subject to a variable rate based on the US Libor six-month rate, which on September 30, 2021 was 0.1655% per annum plus a margin of 3.90%. The IRS has a term to September 30, 2026. On September 30, 2021, the balance of the Term Loan was \$34.2 million.

The Line of Credit can be drawn in multiple disbursements and has an availability period until September 30, 2023. The repayment terms are of up to two years for each disbursement, counted from each disbursement date, and would consist of 4 equal semi-annual payments, with the first payments due six months from each disbursement date. The interest rate will be based on the US Libor six-month rate plus a margin to be defined on each disbursement date. At the date that US Libor is discontinued, the interest rate will be based on the ISDA 2020 IBOR Fallbacks Protocol. As of September 30, 2021, MVC has not drawn funds from the Line of Credit.

MVC is required to have a debt service reserve account to be funded monthly with 1/6 of the next debt payment (principal and interest) such that semi-annual debt payments are fully funded a month prior to the payment date, and a second reserve account of \$3.5 million to be released on January 1, 2025. On September 30, 2021, MVC held the required reserved funds in the amount of \$2.9 million and \$3.5 million, respectively, shown as restricted cash on Amerigo's statement of financial position.

MVC is required to meet two bank covenants semi-annually on June 30 and December 31: debt/EBITDA ratio (requirement ≤ 3) and net worth (requirement \geq \$100.0 million) which were met on June 30, 2021.

Upon entering into the Finance Agreement, MVC's cash in excess of \$15 million became available for future distribution to Amerigo shareholders. Going forward, MVC will be able to do one annual distribution to Amerigo shareholders, provided that MVC has a debt service coverage ratio of at least 1.4x in respect of its preceding year annual financial statements, MVC maintains cash of at least \$15 million after the distribution, and the amount to be distributed does not exceed 60% of free cash flow generated in the preceding year, which is defined as earnings before interest, taxes, depreciation and administration, less tax payments, less Capex, plus or minus changes in working capital less debt service.

MVC has provided security on the Finance Agreement in the form of a charge on all of MVC's assets.

Molybdenum Plant Expansion Lease

In 2018, MVC entered into a lease of 201,903 Chilean Unidades de Fomento to finance the expansion of MVC's molybdenum plant. The lease has a term to November 2023, with monthly capital payments of approximately \$0.1 million, a balloon payment at the end of the lease term of approximately \$1.5 million and interest at a rate of 0.45% per month. The lease can be prepaid without penalty. On September 30, 2021, the lease obligation was \$3.9 million (December 31, 2020: \$5.6 million).

AGREEMENTS WITH CODELCO'S DET

MVC has a contract with DET (the "DET Agreement") to process the fresh tailings from El Teniente and the tailings from the Cauquenes and Colihues historic tailings deposits. The DET Agreement has a term to 2037 for fresh tailings, the earlier of 2033 or deposit depletion for Cauquenes, and the earlier of 2037 or deposit depletion for Colihues.

The DET Agreement establishes a series of royalties payable by MVC to DET, calculated using the average LME copper price for the month of concentrate production.

The DET Agreement currently operates as a tolling contract under which title to the copper concentrates produced by MVC remains with DET. MVC earns tolling revenue, calculated as the gross value of copper produced at applicable market prices net of notional items. Notional items include treatment and refining charges, DET copper royalties and transportation costs.

Notional royalties for copper concentrates produced from fresh tailings are determined through a sliding scale formula tied to copper prices ranging from \$1.95/lb (13.5%) to \$4.80/lb (28.4%).

Notional royalties for copper concentrates produced from Cauquenes are determined through a sliding scale for copper prices ranging from \$1.95/lb (16%) to \$5.50/lb (39%).

Notional royalties for copper concentrates produced from Colihues are determined through a sliding scale for copper prices ranging from \$0.80/lb (3%) to \$4.27/lb (30%). MVC intends to restart processing tailings from Colihues once the Cauquenes deposit is depleted.

MVC pays a sliding scale global molybdenum royalty for molybdenum prices between \$6.00/lb (3%) and \$40.00/lb (19.7%).

The DET Agreement anticipates that in the event monthly average copper prices fall below or rise above certain ranges and projections in the case of fresh tailings and Cauquenes tailings, and projections indicate the permanence of such prices over time, the parties will meet to review cost and notional royalty/royalty structures to maintain the DET Agreement's viability and the equilibrium of the benefits between the parties.

The DET Agreement also contains three early exit options exercisable by DET within 2021 and every three years thereafter only in the event of changes unforeseen at the time the DET Agreement was entered into. Amerigo has currently judged the probabilities of DET exercising any of these early exit options as remote.

OTHER MD&A REQUIREMENTS

Transactions with Related Parties

a) Derivative liability

Amerigo holds its interest in MVC through Amerigo International Holdings Corp. ("Amerigo International"), wholly owned by Amerigo except for certain outstanding Class A shares which are owned indirectly by Amerigo's founders (including Amerigo's current Executive Chairman). The Class A shares were issued in 2003 as part of a tax-efficient structure for payments granted as consideration to the founders transferring to Amerigo their option to purchase MVC.

The Class A shareholders are not entitled to any participation in the profits of Amerigo International, except for monthly payments, calculated as follows:

- \$0.01 for each pound of copper equivalent produced from DET tailings by MVC or any successor entity to MVC if the price of copper is under \$0.80/lb, or
- \$0.015 for each pound of copper equivalent produced from DET tailings by MVC or any successor entity to MVC if the price of copper is \$0.80/lb or more.

Under IFRS, the payments constitute a derivative financial instrument which needs to be measured at fair value at each reporting date. Changes in fair value are recorded in profit for the period.

The derivative expense includes the actual monthly payments described above and changes in the derivative's fair value.

In YTD-2021 \$0.8 million was paid or accrued to the Class A shareholders (YTD-2020: \$0.7 million) and the derivative's fair value decreased by \$0.3 million (YTD-2020: decreased by \$2.0 million), for a total derivative expense of \$0.5 million (YTD-2020: recovery of \$1.3 million).

At September 30, 2021, the derivative totalled \$10.8 million (December 31, 2020: \$11.3 million), with a current portion of \$1.2 million (December 31, 2020: \$1.2 million) and a long-term portion of \$9.6 million (December 31, 2020: \$10.1 million).

b) Directors' fees and remuneration to officers

YTD-2021, the Company paid or accrued \$1.2 million in salaries and fees to companies associated with certain officers (2020: \$0.6 million). In the same period, Amerigo paid or accrued \$0.2 million in directors' fees (2020: \$0.2 million) and share-based payments of \$0.3 million (Q3-2020: \$nil). These transactions were in the ordinary course of business and measured at market rates determined on a cost recovery basis.

YTD-2021, 2,860,000 options were granted to Amerigo directors and officers (2020: 2,080,000 options).

Critical Accounting Estimates and Judgements

Preparing interim financial statements requires management to make judgements, estimates and assumptions. This affects the application of accounting policies and reported amounts. Actual results may differ from these estimates.

In Q3-2021, management's significant judgements and the key sources of estimation uncertainty were consistent with those used to prepare Amerigo's 2020 annual consolidated financial statements. For more information, refer to Amerigo's annual consolidated financial statements for the year ended December 31, 2020, available on Amerigo's profile on SEDAR at www.sedar.com.

Disclosure Controls and Procedures

Amerigo designs disclosure controls and procedures to provide reasonable assurance that all relevant information is communicated to senior management and to allow timely decisions regarding required disclosure.

Amerigo has a formal corporate disclosure policy and a Disclosure Policy Committee (the "DPC"). Amerigo's directors including Aurora Davidson (President and CEO) are members of the DPC.

Management has reasonable confidence that the Company's material information is made known to them in a timely manner, and that Amerigo's disclosure controls and procedures are effective on an ongoing basis.

Internal Controls over Financial Reporting ("ICFR")

ICFR is a process designed to provide reasonable assurance on the reliability of financial reporting and the preparation of financial statements for external purposes under IFRS.

Amerigo's ICFR includes policies and procedures that:

- Pertain to the maintenance of records that accurately and fairly reflect the additions to and dispositions of Company assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements under IFRS;
- Provide reasonable assurance that the Company's receipts and expenditures have the proper authorization of Amerigo's management and directors; and
- Provide reasonable assurance on the prevention or timely detection of unauthorized acquisition, use or disposition of Company assets that could have a material effect on the financial statements.

Any system of internal controls over financial reporting, no matter how well designed, has inherent limitations. Even those systems determined to be effective can provide only reasonable assurance on preparation and presentation of financial statements.

There were no changes in the quarter that materially affected, or are reasonably likely to affect, Amerigo's ICFR.

Commitments

- At September 30, 2021, MVC had a long-term agreement for the supply of 100% of MVC's power requirements to December 31, 2032. The agreement established minimum stand-by charges based on peak hour power supply calculations, estimated to range from \$0.9 to \$1.4 million per month.
- Amerigo has an agreement for the lease of office premises in Vancouver to December 1, 2021. Rent commitments under the agreement are approximately \$0.1 million.
- The DET Agreement has a Closure Plan clause requiring MVC and DET to jointly assess the revision of the closure plan for Cauquenes and compare it to the current DET plan. In the case of any variation in the interests of DET due to MVC's activities in the Cauquenes deposit, the parties will jointly evaluate the form of implementation and financing of or compensation for such variation. Until the estimation of the new closure plan is available, and the parties agree on the terms of compensation resulting from the revised plan, it is Amerigo's view there is no obligation to record a provision because the amount, if any, is not possible to determine.

Subsequent Events

Amerigo's Board of Directors (the "Board") has reached a decision to declare and pay steady dividends on a quarterly basis. Dividends will be declared at the discretion of the Board and will depend on the Company's financial results, other factors of relevance determined by the Board and the maintenance of appropriate levels of working capital.

On November 1, 2021, the Board declared a quarterly dividend of Cdn\$0.02 per share, payable on December 20, 2021 to shareholders of record as of November 30, 2021. Amerigo designates the entire amount of this taxable dividend to be an "eligible dividend" for purposes of the *Income Tax Act* (Canada), as amended from time to time.

Securities Outstanding

On November 1, 2021, Amerigo had 181,961,078 common shares and 11,051,671 options (exercisable at prices ranging from Cdn\$0.40 to Cdn\$1.29 per share) outstanding.

Additional information relating to the Company, including Amerigo's most recent Annual Information Form, is available on SEDAR at www.sedar.com.

Cautionary Statement on Forward-Looking Information

This MD&A contains certain forward-looking information and statements as defined in applicable securities laws (collectively referred to 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. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "should", "believe" and similar expressions is intended to identify forward-looking statements. These forward-looking statements include but are not limited to, statements concerning:

- forecasted production and operating costs;
- potential impact of COVID-19 on our business and operations;
- our strategies and objectives;
- our estimates of the availability and quantity of tailings, and the quality of our mine plan estimates;
- our estimates in respect of annual 2021 sustaining capital expenditures;
- the sufficiency of water reserves of Colihues to maintain projected Cauquenes tonnage processing in 2021 and future years;
- prices and price volatility for copper, molybdenum, and other commodities and of materials we use in our operations;
- the demand for and supply of copper, molybdenum, and other commodities and materials that we produce, sell and use;
- sensitivity of our financial results and share price to changes in commodity prices;
- our financial resources and our expected ability to meet our obligations for the next 12 months;
- the expected amount of MVC's annual free cash flow that will become available for distribution to Amerigo shareholders each year during the term of the Term Loan;
- our assessment of the probabilities of DET exercising its early exit options under the DET Agreement as remote;
- interest and other expenses;
- domestic and foreign laws affecting our operations;
- our tax position and the tax rates applicable to us;
- our ability to comply with our loan covenants;
- the production capacity of our operations, our planned production levels and future production;
- hazards inherent in the mining industry causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties and suspension of operations
- estimates of asset retirement obligations and other costs related to environmental protection;
- our future capital and production costs, including the costs and potential impact of complying with existing and proposed environmental laws and regulations in the operation and closure of our operations;
- repudiation, nullification, modification or renegotiation of contracts;
- our financial and operating objectives;
- our environmental, health and safety initiatives;
- the outcome of legal proceedings and other disputes in which we may be involved;
- the outcome of negotiations concerning metal sales, treatment charges and royalties;
- disruptions to the Company's information technology systems, including those related to cybersecurity;
- our dividend policy; and
- general business and economic conditions.

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such statements. Inherent in forward-looking statements are risks and uncertainties beyond our ability to predict or control, including risks that may affect our operating or capital plans; risks generally encountered in the permitting and development of mineral projects such as unusual or unexpected geological formations, negotiations with government and other third parties, unanticipated metallurgical difficulties, delays associated with permits,

approvals and permit appeals, ground control problems, adverse weather conditions, process upsets and equipment malfunctions; risks associated with labour disturbances and availability of skilled labour and management; risks related to the potential impact of global or national health concerns, including COVID-19, and the inability of employees to access sufficient healthcare; government or regulatory actions or inactions, fluctuations in the market prices of our principal commodities, which are cyclical and subject to substantial price fluctuations; risks created through competition for mining projects and properties; risks associated with lack of access to markets; risks associated with availability of and our ability to obtain both tailings from Codelco's Division El Teniente's current production and historic tailings from tailings deposits; risks with respect to the ability of the Company to draw down funds from bank facilities and lines of credit, and the availability of and ability of the Company to obtain adequate funding on reasonable terms for expansions and acquisitions; mine plan estimates; risks posed by fluctuations in exchange rates and interest rates, as well as general economic conditions; risks associated with environmental compliance and changes in environmental legislation and regulation; risks associated with our dependence on third parties for the provision of critical services; risks associated with non-performance by contractual counterparties; title risks; social and political risks associated with operations in foreign countries; risks of changes in laws affecting our operations or their interpretation, including foreign exchange controls; and risks associated with tax reassessments and legal proceedings. Notwithstanding the efforts of the Company and MVC, there can be no guarantee that Amerigo's or MVC's staff will not contract COVID-19 or that Amerigo's and MVC's measures to protect staff from COVID-19 will be effective. Many of these risks and uncertainties apply not only to the Company and its operations, but also to Codelco and its operations. Codelco's ongoing mining operations provide a significant portion of the materials MVC processes and its resulting metals production, therefore these risks and uncertainties may also affect their operations and in turn have a material effect on the Company.

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. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- interest and currency exchange rates;
- changes in commodity and power prices;
- acts of foreign governments and the outcome of legal proceedings;
- the supply and demand for, deliveries of, and the level and volatility of prices of copper and other commodities and products used in our operations;
- the ongoing supply of material for processing from Codelco's current mining operations;
- the grade and projected recoveries of tailings processed by MVC;
- the ability of the Company to profitably extract and process material from the Cauquenes tailings deposit;
- the timing of the receipt of and retention of permits and other regulatory and governmental approvals;
- our costs of production and our production and productivity levels, as well as those of our competitors;
- changes in credit market conditions and conditions in financial markets generally;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- the availability of qualified employees and contractors for our operations;
- our ability to attract and retain skilled staff;
- the satisfactory negotiation of collective agreements with unionized employees;
- the impact of changes in foreign exchange rates and capital repatriation on our costs and results;
- costs of closure of various operations;
- market competition;
- tax benefits and tax rates;
- the outcome of our copper concentrate sales and treatment and refining charge negotiations;
- the resolution of environmental and other proceedings or disputes;
- the future supply of reasonably priced power;
- rainfall in the vicinity of MVC returning to normal levels;
- average recoveries for fresh tailings and Cauquenes tailings;
- our ability to obtain, comply with and renew permits and licenses in a timely manner; and

- our ongoing relations with our employees and entities with which we do business.

Future production levels and cost estimates assume there are no adverse mining or other events which significantly affect budgeted production levels.

Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company's control, the Company cannot assure that it will achieve or accomplish the expectations, beliefs or projections described in the forward-looking statements.

We caution you that the foregoing list of important factors and assumptions is not exhaustive. Other events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, our forward-looking statements. You should also carefully consider the matters discussed under Risk Factors in Amerigo's Annual Information Form. The forward-looking statements contained herein speak only as of the date of the MD&A and except as required by law, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise.