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Amerigo Resources Ltd.
Management's Discussion and Analysis
For the Three Months Ended March 31, 2023

This Management's Discussion & Analysis ("MD&A") has the following sections:

THIS DOCUMENT CONTAINS FORWARD-LOOKING STATEMENTS. REFER TO THE CAUTIONARY LANGUAGE UNDER THE HEADING "CAUTIONARY STATEMENTS ON FORWARD-LOOKING INFORMATION" (PAGE 20).

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 the 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 a sales agreement with Chile’s Molibdenos y Metales S.A. (“Molymet”).

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 and its subsidiaries (collectively, the “Company”) is prepared as of May 1, 2023.

It should be read in conjunction with Amerigo’s condensed interim consolidated financial statements and related notes for the three months ended March 31, 2023, and the audited consolidated financial statements and related notes for the year ended December 31, 2022.

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 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 notional 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 by the number of pounds of copper produced. Total cost equals the aggregate of cash cost, DET notional copper royalties and DET molybdenum royalties, and depreciation. A tabular reconciliation of cash cost and total cost to tolling and production costs is available on page 13.

Another non-IFRS measure the Company uses is “operating cash flow before changes in non-cash working capital”. This is calculated by adding 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 from operating activities and operating cash flow before changes in non-cash working capital in Q1-2023 and Q1-2022 is available on page 7.

Free cash flow to equity ("FCFE") refers to operating cash flow before changes in non-cash working capital, less capital expenditures plus new debt issued, less debt and lease repayments. FCFE represents the amount of cash generated by the Company in a reporting period that can be used to pay for the following:

a) potential distributions to the Company's shareholders, and
b) any additional taxes triggered by the repatriation of funds from Chile to Canada to fund these distributions.

Free cash flow ("FCF") refers to FCFE plus repayments of borrowings and lease repayments. A tabular reconciliation of operating cash flow before changes in non-cash working capital to FCFE and FCF in Q1-2023 and Q1-2022 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 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 performance measures in accordance with IFRS.

QUARTERLY HEADLINES

Key performance metrics	Q1-2023	Q1-2022	Change	
			$	%
Copper produced (million pounds) [1]	16.5	16.5	0.0	0%
Copper delivered (million pounds) [1]	16.5	16.3	0.2	1%
Revenue ($ thousands) [2]	52,648	53,765	(1,117)	(2%)
DET notional copper royalties ($ thousands)	18,438	22,290	(3,852)	(17%)
Tolling and production costs ($ thousands)	39,170	32,339	6,831	21%
Gross profit ($ thousands)	13,478	21,426	(7,948)	(37%)
Net income ($ thousands)	9,085	15,489	(6,404)	(41%)
Earnings per share	0.05	0.09	(0.04)	(44%)
Earnings per share (Cdn$) [3]	0.07	0.11	(0.04)	(36%)
Operating cash flow before changes in working capital ($ thousands) [4]	13,192	20,609	(7,417)	(36%)
Free cash flow to equity[5]	8,621	17,907	(9,286)	(52%)
Cash flow paid for plant and equipment ($ thousands)	(4,383)	(2,419)	(1,964)	81%
Cash and cash equivalents ($ thousands)	43,923	71,095	(27,172)	(38%)
Borrowings ($ thousands) [6]	24,266	30,800	(6,534)	(21%)
MVC's copper price ($/lb) [7]	4.02	4.64	(0.62)	(13%)
MVC's molybdenum price ($lb) [8]	31.73	18.33	13.40	73%

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 Earnings per share in Canadian dollars ("Cdn") was calculated by converting the net income to Cdn using the average USD-Cdn foreign exchange rate during the period of 1 USD:1.3517 Cdn (Q1 2022- 1 USD:1.2662 Cdn)

4 A non-IFRS measure. Refer to page 7 for the reconciliation of operating cash flow before non-cash working capital and net cash from operating activities.

5 A non-IFRS measure. Refer to page 7 for the reconciliation of operating cash flow before non-cash working capital and free cash flow to equity.

6 On March 31, 2023, comprised of short and long-term portions of $7.6 and $16.7 million, respectively.

7 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.

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

Highlights and Significant Events

- Lower copper market prices in Q1-2023 affected Amerigo's financial performance compared to Q1-2022. The Company's Q1-2023 average copper price was $4.02 per pound ("/lb") compared to $4.64/lb in Q1-2022, resulting in lower copper revenue before notional charges of $9.2 million.

- Net income during Q1-2023 was $9.1 million, a reduction of $6.4 million compared to the net income in Q1-2022 of $15.5 million due to lower copper revenue and higher production costs.

- Earnings per share ("EPS") during Q1-2023 was $0.05 (Cdn$0.07) (Q1-2022: $0.09 (Cdn$0.11)).

- Q1-2023 copper production was 16.5 million pounds ("M lbs") (Q1-2022: 16.5 M lbs), including 10.1 M lbs from fresh tailings (Q1-2022: 9.6 M lbs) and 6.4 M lbs from Cauquenes historical tailings (Q1-2022: 6.9 M lbs).

- Molybdenum production during Q1-2023 was 0.3 million pounds (Q1-2022: 0.2 million pounds), and MVC's molybdenum price increased to $31.73/lb (Q1-2022: $18.33/lb), resulting in Q1-2023 molybdenum revenue of $8.0 million (Q1-2022: $3.4 million).

- Copper tolling revenue is calculated from the gross value of copper produced in Q1-2023 of $66.8 million (Q1-2022: $73.8 million) and positive fair value adjustments to settlement receivables of $3.4 million (Q1-2022: $5.6 million), less notional items including DET royalties of $18.4 million (Q1-2022: $22.3 million), smelting and refining of $6.7 million (Q1-2022: $6.3 million) and transportation of $0.5 million (Q1-2022: $0.5 million).

- The Company generated operating cash flow before changes in non-cash working capital (a non-IFRS measure, page 7) of $13.2 million in Q1-2023 (Q1-2022: $20.6 million). Quarterly net operating cash flow was $18.2 million (Q1-2022: $23.5 million). Free cash flow to equity (a non-IFRS measure, page 7) was $8.6 million (Q1-2022: $17.9 million).

- Q1-2023 cash cost (a non-IFRS measure, page 12) was $1.91/lb (Q1-2022: $1.90/lb), unchanged from Q1-2022, impacted by an increase of $0.19/lb in other direct costs and an increase in power costs of $0.09/lb, mitigated by a $0.28/lb increase in molybdenum by-product credits from stronger molybdenum production and prices.

- Q1-2023 total cost (a non-IFRS measure, page 12) decreased to $3.44/lb (Q1-2022: $3.59/lb) due to a $0.16/lb decrease in DET notional royalties from lower metal prices offset by a $0.01/lb increase in cash cost.

- Amerigo's financial performance is sensitive to changes in copper prices. MVC's Q1-2023 provisional copper price was $4.01/lb. The final prices for January, February, and March sales will be the average London Metal Exchange ("LME") prices for April, May, and June, respectively. A 10% increase or decrease from the $4.01/lb provisional price used on March 31, 2023, would result in a $6.6 million change in revenue in Q2-2023 regarding Q1-2023 production.

- In Q1-2023, Amerigo returned $5.5 million to shareholders (Q1-2022: $7.6 million), including $3.6 million through Amerigo's regular quarterly dividend of Cdn$0.03 per share, and $1.9 million used to purchase for cancellation 1.6 million common shares (Q1-2022: $3.4 million used to repurchase 2.4 million common shares).

- On March 31, 2023, the Company held cash and cash equivalents of $43.9 million (December 31, 2022: $37.8 million), a restricted cash balance of $6.4 million (December 31, 2022: $4.2 million) and had working capital of $12.6 million (December 31, 2022: $10.0 million).

- Refer to Cautionary Statements on Forward-Looking Information (page 20).

SUMMARY OF FINANCIAL RESULTS Q1-2023 TO Q1-2022

	Q1-2023 $	Q4-2022 $	Q3-2022 $	Q2-2022 $	Q1-2022 $	Q4-2021 $
Copper production, million pounds [1]	16.517	16.612	15.999	14.921	16.469	16.892
Copper deliveries, million pounds [1]	16.490	16.791	16.175	14.861	16.289	16.720
MVC's copper price ($/lb)	4.02	3.80	3.50	4.10	4.64	4.32
Financial results ($ thousands)						
Revenue						
Gross value of copper produced	66,798	61,142	56,754	63,667	73,797	72,630
Adjustments to fair value of settlement receivables	3,374	4,785	(8,776)	(7,849)	5,612	2,641
	70,172	65,927	47,978	55,818	79,409	75,271
Notional items deducted from gross value of copper produced:						
DET royalties - copper	(18,438)	(15,626)	(14,276)	(18,281)	(22,290)	(21,606)
Smelting and refining	(6,661)	(5,974)	(5,926)	(5,791)	(6,274)	(5,426)
Transportation	(464)	(423)	(410)	(403)	(466)	(458)
Copper tolling revenue	44,609	43,904	27,366	31,343	50,379	47,781
Molybdenum and other revenue	8,039	5,941	3,492	2,241	3,386	4,228
	52,648	49,845	30,858	33,584	53,765	52,009
Tolling and production costs						
Tolling and production costs	(30,693)	(33,259)	(27,323)	(25,090)	(25,121)	(24,885)
Depreciation and amortization	(4,986)	(5,262)	(5,125)	(5,059)	(4,924)	(4,992)
Administration	(1,685)	(1,500)	(1,275)	(1,301)	(1,616)	(1,345)
DET royalties - molybdenum	(1,806)	(987)	(691)	(518)	(678)	(896)
	(39,170)	(41,008)	(34,414)	(31,968)	(32,339)	(32,118)
Gross profit	13,478	8,837	(3,556)	1,616	21,426	19,891
Other expenses						
Derivative to related parties including changes in fair value	(255)	1,241	210	788	477	(367)
Salaries, management and professional fees	(661)	(960)	(494)	(453)	(971)	(1,254)
Office and general expenses	(397)	(557)	(284)	(222)	(400)	(204)
Share-based payment compensation	(271)	(270)	(263)	(282)	(208)	(195)
	(1,329)	(1,787)	(1,041)	(957)	(1,579)	(1,653)
Foreign exchange gain (loss)	1,527	2,288	(789)	(2,942)	1,227	(367)
Writedown of obsolete equipment and supplies	-	32	-	-	(551)	-
Writedown of obsolete power generators	-	(11,497)	-	-	-	-
Other gains (losses)	21	(123)	33	22	12	10
	1,548	(9,300)	(756)	(2,920)	688	(357)
	(36)	(9,846)	(1,587)	(3,089)	(414)	(2,377)
Operating profit (loss)	13,442	(1,009)	(5,143)	(1,473)	21,012	17,514
Finance (expense) gain	(827)	(600)	(204)	(267)	114	325
Income (loss) before income tax	12,615	(1,609)	(5,347)	(1,740)	21,126	17,839
Income tax (expense) recovery	(3,530)	7	905	(3,331)	(5,637)	(8,951)
Net income (loss)	9,085	(1,602)	(4,442)	(5,071)	15,489	8,888
Earnings (loss) per share - basic	0.05	(0.01)	(0.03)	(0.03)	0.09	0.05
Earnings (loss) per share - diluted	0.05	(0.01)	(0.03)	(0.03)	0.09	0.05
Earnings (loss) per share Cdn$ - basic	0.07	(0.01)	(0.03)	(0.04)	0.11	0.06
Earnings (loss) per share Cdn$ - diluted	0.07	(0.01)	(0.03)	(0.04)	0.11	0.06
Unit tolling and production costs	2.38	2.44	2.13	2.15	1.99	1.92
Cash cost ($/lb) [2]	1.91	2.10	1.93	2.01	1.90	1.68
Total cost ($/lb) [2]	3.44	3.42	3.18	3.61	3.59	3.31
Uses and sources of cash ($thousands)						
Operating cash flow before non-cash working capital changes [2]	13,192	15,632	2,617	(3,952)	20,609	18,279
Net cash from (used in) operating activities	18,200	3,711	(4,124)	508	23,536	14,989
Cash used in investing activities	(4,383)	(2,564)	(1,814)	(3,010)	(2,419)	(4,532)
Cash used in financing activities	(7,717)	(5,393)	(6,188)	(14,394)	(9,917)	(14,979)
Ending cash and cash equivalents	43,923	37,821	41,813	53,020	71,095	59,792
Ending restricted cash	4,256	4,215	6,384	4,198	6,383	4,221

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 reconciliation of operating cash flow before non-cash working capital and net cash provided by operating activities and page 13 for the reconciliation of cash and total cost to tolling and production costs.

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

Below is a reconciliation of operating cash flow before non-cash working capital and net cash provided by operating activities, and free cash flow and free cash flow to equity for the periods presented in this MD&A:

(Expressed in thousands)	**Q1-2023** **$**	**Q1-2022** **$**
Net cash provided by operating activities	18,200	23,536
Deduct:		
Changes in non-cash working capital	(5,008)	(2,927)
Operating cash flow before non-cash working capital	**13,192**	**20,609**

(Expressed in thousands)	**Q1-2023** **$**	**Q1-2022** **$**
Operating cash flow before changes in non-cash working capital	13,192	20,609
Deduct:		
Cash used to purchase plant and equipment	(4,383)	(2,419)
Lease repayments	(188)	(283)
Free cash flow to equity	**8,621**	**17,907**
Add:		
Lease repayments	188	283
Free cash flow	**8,809**	**18,190**

OPERATING RESULTS

Copper production in Q1-2023 was 16.5 M lbs (Q1-2022: 16.5 M lbs), and copper deliveries were 16.5 M lbs (Q1-2022: 16.3 Mm lbs).

Concerning fresh tailings, MVC's Q1-2023 copper production was 10.1 M lbs (Q1-2022: 9.6 M lbs), representing 61% of copper production (Q1-2022: 58%).

Copper production from Cauquenes in Q1-2023 was 6.4 million pounds (Q1-2022: 6.9 million pounds).

MVC's average plant availability during Q1-2023 was 98.6%.

MVC's water reserves on March 31, 2023 were 4.7 million cubic meters. These water reserves remain sufficient to maintain projected Cauquenes processing rates for at least eighteen months, our maximum forecast horizon.

Molybdenum production during Q1-2023 was 0.3 million pounds (Q1-2022: 0.2 million pounds).

Additional information on the production results for Q1-2023 and Q1- is included below:

PRODUCTION	Q1-2023	Q1-2022
FRESH TAILINGS		
Tonnes per day	136,972	139,238
Operating days	90	90
Tonnes processed	12,271,358	12,525,446
Copper grade (%)	0.170%	0.157%
Copper recovery	22.1%	22.2%
Copper produced (M lbs)	10.14	9.61
CAUQUENES TAILINGS		
Tonnes per day	38,284	40,628
Operating days	89	90
Tonnes processed	3,399,159	3,615,801
Copper grade (%)	0.255%	0.252%
Copper recovery	33.3%	33.8%
Copper produced (M lbs)	6.38	6.86
COPPER		
Total copper produced (M lbs)	16.52	16.47

2023 Production and Cash Cost Outlook Update

Amerigo's annual production guidance of 62.3 M lbs of copper and 1.0 M lbs of molybdenum is maintained. In Q1-2023, copper production was 4.5% over guidance, and molybdenum production was 5.2% over guidance.

The Company's 2023 guidance for annual cash cost (a non-IFRS measure, page 12) was $2.14/lb. In Q1-2023, the Company's cash cost (a non-IFRS measure, page 12) was $1.91/lb, lower than expected due to the impact of higher-than-anticipated molybdenum by-product credits. In our guidance, we assumed an average molybdenum market price of $16/lb and noted that a 10% change in molybdenum price would impact $0.02/lb on cash cost. The Company's average molybdenum price in Q1-2023 was $31.73/lb. Cash cost sensitivity to changes in molybdenum prices was stronger than anticipated due to higher molybdenum production in the quarter.

In Q1-2023, we experienced approximately $0.04/lb in higher-than-anticipated power costs, primarily from heftier pass-through charges from the Chilean grid, which we expect will continue in 2023. Further, MVC faced an increase in cash cost of approximately $0.05/lb associated with a stronger Chilean peso ("CLP") against the U.S. dollar. Our original guidance assumed an exchange rate of the CLP to the USD of 920 CLP in 2023. In Q1-2023, the average CLP to the USD was 811, a change of 12%. Our guidance had assumed that for each 10% change in the foreign exchange rate of the CLP to the USD, the impact on cash cost would be $0.08/lb.

In 2023, MVC is expected to incur $13.3 million in capital expenditures on projects ("Capex") and capitalizable maintenance and strategic spares are expected to be $2.8 million.

Concerning financial obligations, MVC expects to make two scheduled semi-annual bank debt repayments of $3.5 million plus interest (in June and December 2023). MVC expected to make payments of approximately $2.2 million to pay in full the 5-year finance lease agreement under which MVC financed significant upgrades to the molybdenum plant in 2018. The lease was prepaid in April 2023. Annual lease payments were $1.3 million.

FINANCIAL RESULTS – Q1-2023

Net income in Q1-2023 was $9.1 million with a $0.05 basic and $0.05 diluted EPS (Cdn$0.07 and $0.07 respectively) (Q1-2022: net income of $15.5 million with a $0.09 basic and diluted EPS (Cdn$0.11 and $0.11 respectively), primarily due to lower copper prices and an increase in tolling and production costs.

Revenue

Revenue in Q1-2023 was $52.6 million (Q1-2022: $53.8 million).

(Expressed in thousands)	Q1-2023 $	Q1-2022 $
Average LME copper price per pound	4.05	4.53
Gross value of copper produced[1]	66,798	73,797
Adjustments to fair value of settlement receivables	3,374	5,612
	70,172	79,409
Notional items deducted from gross value of copper produced:		
DET royalties - copper	(18,438)	(22,290)
Smelting and refining charges	(6,661)	(6,274)
Transportation	(464)	(466)
Copper tolling revenue	44,609	50,379
Molybdenum revenue	8,039	3,386
Revenue	52,648	53,765
MVC's copper price ($/lb)[2]	4.02	4.64
MVC's molybdenum price ($/lb)	31.73	18.33

Notes:

1. Of the $3.4 million in adjustments to fair value of settlement receivables, $3.8 million in positive adjustments are in respect of Q4-2022 sales and are final adjustments, and $0.4 million in negative adjustments are in respect to Q1-2023 sales and are provisional adjustments (Q1-2022: $3.8 million were final adjustments in respect of Q4-2021 sales and $1.8 million were provisional adjustments in respect of Q1-2022 sales).

2. MVC's copper price is the gross copper selling price after considering 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. DET retains title to the copper concentrates produced by MVC, 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 monthly based on the tolling activity for the entire month, less weekly billings, and to bill for pricing term differences, as disclosed in the following paragraphs.

MVC's compensation is determined in accordance with annual industry benchmarks for pricing terms and smelting and refining charges.

On March 31, 2023, the provisional copper price used by MVC was $4.01/lb. Financial performance is sensitive to changes in copper prices. For example, a 10% increase or decrease from the $4.01/lb provisional price used on March 31, 2023 would result in a $6.6 million change in revenue in Q2-2023 regarding Q1-2023 production.

DET royalties on copper production are a notional item deducted from MVC's gross value of copper produced. In Q1-2023, DET notional copper royalties were $18.4 million (Q1-2022: $22.3 million) due to lower 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 sold under a written sales agreement with Molymet. Revenue is billed monthly based on the amount of concentrates delivered during the preceding month. Molymet can elect different pricing terms monthly. In Q1-2023, pricing terms were M+4 regarding the average Platt's molybdenum dealer oxide price of the month of sale.

In Q1-2023, MVC's molybdenum sales price was $31.73/lb (Q1-2022: $18.33/lb).

Tolling and Production Costs

(Expressed in thousands)	Q1-2023 $	Q1-2022 $
Direct tolling and production costs		
Power costs	9,328	7,701
Direct labour	3,658	3,137
Grinding media	2,457	2,895
Lime costs	1,915	1,689
Other direct tolling / production costs	13,335	9,699
	30,693	25,121
Depreciation and amortization	4,986	4,924
Administration	1,685	1,616
DET royalties - molybdenum	1,806	678
Tolling and production costs	39,170	32,339
Unit tolling and production costs ($/lb delivered)	2.38	1.99

During Q1-2023, power costs increased by $1.6 million or 21% compared to Q1-2022. This increase is due to U.S. contractual annual CPI adjustments to MVC's base power tariff, an increase in pass-through charges from the Chilean power grid applicable to all industrial consumers and a 2% increase in power consumption quarter over quarter. Power costs in Q1-2023 were $0.1086/kWh (Q1-2022: $0.0907/kWh). Pass-through charges in Q1-2023 were higher than initially anticipated by the Company and are expected to continue at similar levels to Q1-2023 for the rest of the year.

Direct labour increased $0.5 million primarily due to a $0.3 million payment for signing bonuses on a 3-year agreement with MVC's administrative workers and $0.2 million in inflation-driven salary adjustments to MVC's workers compared to Q1-2022.

During Q1-2023, grinding media decreased by $0.4 million due to lower consumption and lower input costs.

Lime costs increased by $0.2 million due to 22% higher lime costs partially offset by a 6% lower consumption associated with lower Cauquenes processing.

In aggregate, other direct tolling costs increased by $3.6 million in Q1-2023 due to a decrease in negative inventory adjustments of $1.0 million, as well as an increase in the following costs: $0.5 million in maintenance, $0.6 million in historic tailings extraction, $0.5 million in copper reagents, $0.2 million in industrial water, $0.3 million in process control, environmental and safety, and $0.2 million in subcontractors. Cost behavior in Q1-2023 was aligned with the Company's budget, which had anticipated inflation-driven cost increases in 2023.

(Expressed in thousands)	Q1-2023 $	Q1-2022 $
Other direct tolling costs		
Maintenance, excluding labour	3,052	2,508
Molybdenum production costs	2,415	2,232
Historic tailings extraction	2,329	1,742
Copper reagents	1,709	1,214
Industrial water	1,311	1,092
Process control, environmental and safety	1,192	891
Subcontractors, support services	1,056	857
Filtration and all other direct tolling costs	437	346
Inventory adjustments	(166)	(1,183)
	13,335	9,699

($/lb Cu)	Q1-2023	Q1-2022
Other direct tolling costs		
Maintenance, excluding labour	0.18	0.15
Molybdenum production costs	0.15	0.14
Historic tailings extraction	0.14	0.11
Copper reagents	0.10	0.07
Industrial water	0.08	0.07
Process control, environmental and safety	0.07	0.05
Subcontractors, support services	0.07	0.05
Filtration and all other direct tolling costs	0.03	0.02
Inventory adjustments	(0.01)	(0.07)
	0.81	0.59

Depreciation and amortization in Q1-2023 were $4.9 million (Q1-2022: $4.9 million).

Administration expenses during Q1-2023 were $1.7 million (Q1-2022: $1.6 million).

Due to higher prices, DET royalties for molybdenum in Q1-2023 were $1.8 million (Q1-2022: $0.7 million).

Other Expenses and Gains

Other expenses of $nil in Q1-2023 (Q1-2022: $0.4 million) are costs not related to MVC's production operations and include:

- Other gains of $1.5 million (Q1-2022: $0.7 million) comprised a foreign exchange gain of $1.5 million in Q1-2023 (Q1-2022: $1.2 million). There was also a write-down of obsolete equipment and supplies in the prior-year quarter of $0.6 million.

- General and administration expenses of $1.3 million (Q1-2022: $1.6 million), including salaries, management and professional fees of $0.7 million (Q1-2022: $1.0 million), office and general expenses of $0.4 million (Q1-2022: $0.4 million) and share-based payments of $0.3 million (Q1-2022: $0.2 million).

- A $0.3 million expense associated with the related party derivative liability fair value adjustment (Q1-2022: $0.5 million gain), which includes a $0.8 million decrease in the derivative liability (Q1-2022: $0.3 million) offset by actual amounts paid or accrued to a related party of $0.3 million (Q1-2022: $0.3 million).

- The Company's finance expense in Q1-2023 was $0.8 million (Q1-2022: gain of $0.1 million), which includes interest on loans, leases, and bank charges of $0.7 million (Q1-2022: $0.5 million) and negative fair value changes on interest rate swaps ("IRS") of $0.1 million (Q1-2022: positive fair value changes of $0.6 million).

- Income tax expense in Q1-2023 was $3.5 million, with a current tax expense of $5.6 million offset by a deferred income tax recovery of $2.1 million. In Q1-2022, the Company posted an income tax expense of $5.6 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.

For the Company, these non-IFRS performance measures provide key performance measures used by management to monitor operating performance, assess corporate performance, and plan and assess the overall effectiveness and efficiency of Amerigo's operations. These performance measures are 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 cost includes cash cost, DET notional royalties 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 performance measures in accordance with IFRS.

A reconciliation of tolling and production costs to cash cost and total cost in Q1-2023 and Q1-2022 is presented below:

(Expressed in thousands)	**Q1-2023**	**Q1-2022**
	$	**$**
Tolling and production costs	39,170	32,339
Add (deduct):		
DET notional royalties - copper	18,438	22,290
Smelting and refining charges	6,661	6,274
Transportation costs	464	466
Inventory adjustments	166	1,183
By-product credits	(8,039)	(3,386)
Total cost	56,860	59,166
Deduct:		
DET notional royalties - copper	(18,438)	(22,290)
DET royalties - molybdenum	(1,806)	(678)
	(20,244)	(22,968)
Depreciation and amortization	(4,986)	(4,924)
Cash cost	31,630	31,274
Pounds of copper tolled (fresh and Cauquenes)	16.52	16.47
Cash cost ($/lb)	**1.91**	**1.90**
Total cost ($/lb)	**3.44**	**3.59**

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

($/lb of copper produced)	**Q1-2023**	**Q4-2022**	**Q3-2022**	**Q2-2022**	**Q1-2022**
Power costs	0.56	0.57	0.50	0.50	0.47
Smelting & refining	0.40	0.36	0.37	0.39	0.38
Grinding media	0.15	0.18	0.19	0.18	0.18
Lime	0.12	0.10	0.11	0.09	0.10
Administration	0.10	0.09	0.08	0.09	0.10
Transportation	0.03	0.03	0.03	0.03	0.03
Other direct costs	1.04	1.13	0.87	0.88	0.85
By-product credits	(0.49)	(0.36)	(0.22)	(0.15)	(0.21)
Cash Cost	**$1.91**	**$2.10**	**$1.93**	**$2.01**	**$1.90**

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

($/lb of copper produced)	**Q1-2023**	**Q4-2022**	**Q3-2022**	**Q2-2022**	**Q1-2022**
Cash cost	1.91	2.10	1.93	2.01	1.90
DET notional royalites/royalties	1.23	1.00	0.93	1.26	1.39
Amortization/depreciation	0.30	0.32	0.32	0.34	0.30
Total Cost	**$3.44**	**$3.42**	**$3.18**	**$3.61**	**$3.59**

Total cost in Q1-2023 was $3.44/lb (Q1-2022: $3.59/lb) due to a $0.16/lb decrease in DET notional royalties from lower metal prices offset by a $0.01/lb increase in cash cost.

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.

	Q1-2023 $	Q4-2022 $	Q3-2022 $	Q2-2022 $
Total revenue (thousands)	52,648	49,845	30,858	33,584
Net income (loss) (thousands)	9,085	(1,602)	(4,442)	(5,071)
EPS (LPS)	0.05	(0.01)	(0.03)	(0.03)
Diluted EPS (LPS)	0.05	(0.01)	(0.03)	(0.03)

	Q1-2022 $	Q4-2021 $	Q3-2021 $	Q2-2021 $
Total revenue (thousands)	53,765	52,009	48,132	50,503
Net income (thousands)	15,489	8,888	8,420	11,586
EPS	0.09	0.05	0.05	0.06
Diluted EPS	0.09	0.05	0.05	0.06

Quarterly revenue variances result mainly 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:

	Q1-2023	Q4-2022	Q3-2022	Q2-2022	Q1-2022	Q4-2021	Q3-2021	Q2-2021
Copper sales/deliveries [1]	16.5	16.8	16.2	14.9	16.3	16.7	16.9	15.1
MVC's copper price	4.02	3.80	3.50	4.10	4.64	4.32	4.23	4.37
Settlement adjustments[2]	3.81	2.14	(8.58)	(5.07)	3.76	3.00	(2.37)	5.30

Notes:

1 Million pounds of copper sold under a tolling agreement with DET.

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

In Q2-2021, the copper delivered by MVC remained consistent with the previous quarter. Still, an increase in the price of copper impacted the revenue. In Q3-2021, revenue was positively affected by increased copper delivered during the quarter and negatively impacted by decreased copper prices and negative settlement adjustments. In Q4-2021 and Q1-2022, revenue was positively affected by an increase in the price of copper and the resulting positive settlement adjustments. In Q2-2022, revenue was negatively impacted by a decrease in copper delivered during the quarter due to the planned maintenance shutdown, decreasing production, and a drop in copper prices, resulting in negative settlement adjustments. In Q3-2022, although copper sales volume increased in the quarter, revenue was negatively impacted by a decline in copper prices, resulting in negative settlement adjustments. In Q4-2022, copper sales volume and copper price increased and revenue was positively affected by positive settlement adjustments. In Q1-2023, copper price increased, increasing revenue and positive settlement adjustments during the quarter.

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:

	Q1-2023	Q4-2022	Q3-2022	Q2-2022	Q1-2022	Q4-2021	Q3-2021	Q2-2021
Tolling and production costs [1]	39.17	41.01	34.41	31.97	32.34	32.12	33.94	31.38
Unit tolling and production cost [2]	2.38	2.44	2.13	2.15	1.99	1.92	2.01	2.07

Notes:
1 Millions 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 Chilean peso to the U.S. dollar. 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. In Q4-2021, total tolling and production costs decreased primarily due to reduced inventory adjustments and lower differences between copper tolled and delivered in the quarter. In Q1-2022, tolling and production costs increased slightly, whereas copper delivered decreased by 3%, increasing unit cost. In Q2-2022, total tolling and production costs decreased, but due to lower production from the annual maintenance shutdown, increased on a unit-cost basis. In Q3-2022, total tolling and production costs increased, but due to higher production compared to the prior quarter, decreased on a unit cost basis. In Q4-2022, tolling and production costs increased in total and per unit, primarily due to increased power costs and direct labour. In Q1-2023, tolling and production costs stayed high due to the rise in power and direct labour costs, as seen in the previous quarter.

FINANCIAL POSITION AND BORROWINGS

Cash Flow From Operating Activities

In Q1-2023, the Company generated net cash from operating activities of $18.2 million (Q1-2022: $23.5 million). Excluding the effect of changes in working capital accounts, the Company generated cash from operating activities in Q1-2023 of $13.2 million (Q1-2022: $20.6 million).

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

On March 31, 2023, the provisional copper price used by MVC was $4.01/lb. Financial performance is sensitive to changes in copper prices. For example, a 10% increase or decrease from the $4.01/lb price would result in a $6.6 million change in copper tolling revenue in Q2-2023.

Cash Flow Used In Investing Activities

In Q1-2023, the Company made Capex payments of $4.4 million (Q1-2022: $2.4 million).

Cash Flow Used in Financing Activities

In Q1-2023, Amerigo returned $5.5 million to shareholders: $3.6 million was paid through Amerigo's regular quarterly dividend of Cdn$0.03 per share, and $1.9 million was returned through the purchase of 1.6 million common shares for cancellation through Amerigo's ongoing Normal Course Issuer Bid ("NCIB"). A further 9.5 million common shares remain available for repurchase and cancellation under the NCIB.

In Q1-2023, the Company made lease repayments of $0.2 million (Q1-2022: $0.3 million).

In Q1-2023, the Company received $0.1 million in proceeds from various exercises of stock options (Q1-2022: $0.1 million).

Financial Position

On March 31, 2023, the Company's cash and restricted balance was $50.3 million (December 31, 2022: $42.0 million), and the Company had working capital of $12.6 million (December 31, 2022: $10.0 million).

Borrowings

(Expressed in thousands)	March 31, 2023 $	December 31, 2022 $
Term loan	24,266	23,650
	24,266	23,650
Comprise:		
Short-term debt and current portion of long-term debt	7,561	7,006
Long-term debt	16,705	16,644
	24,266	23,650

On June 30, 2021, MVC entered into a finance agreement (the "Finance Agreement") with a syndicate of two banks domiciled in Chile for a 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, and 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 March 31, 2023, was 5.15% per annum plus a margin of 3.90%. When US Libor is discontinued, the interest rate will be based on the ISDA 2020 IBOR Fallbacks Protocol. The IRS has a term to June 30, 2026. On March 31, 2023, the balance of the Term Loan was $24.3 million, and the IRS was in an asset position of $1.0 million.

The Line of Credit can be drawn in multiple disbursements until June 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. When US Libor is discontinued, the interest rate will be based on the ISDA 2020 IBOR Fallbacks Protocol. As of March 31, 2023, 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 before the payment date and a second reserve account of $3.5 million to be released on January 1, 2025. On March 31, 2023, MVC held the required reserve funds 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 => $100.0 million), which were met on December 31, 2022.

MVC has provided security on the Finance Agreement in the form of a charge on all 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 terms included an original term to November 2023, monthly capital payments of approximately $0.1 million, a balloon payment at the end of the lease term of approximately $1.1 million and interest at a rate of 0.45% per month. The lease was prepaid without penalty in April 2023 (see ***Subsequent Events***).

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 $4.27lb (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 prices fall below specific ranges and projections which indicate the permanence of such prices over time, the parties will meet to review cost and notional royalty/royalty structures to maintain the Agreement's viability and the equilibrium of the benefits between the parties.

The DET Agreement also contains three early exit options exercisable by DET that started in 2021 and every three years after that only in the event of changes unforeseen at the time the DET Agreement was entered into. Amerigo has 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 other individuals (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 individuals 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 that must 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 monthly payments described above and the derivative's fair value changes.

In Q1-2023, the derivative liability decreased $nil (Q1-2022: decreased $0.8 million), with $0.3 million paid or accrued to the Class A shareholder (Q1-2022: $0.3 million) and a change in derivative fair value expense of $0.3 million (Q1-2022: recovery of $0.5 million).

On March 31, 2023, the derivative totalled $7.1 million (December 31, 2022: $7.1 million), with a current portion of $0.8 million (December 31, 2022: $1.0 million) and a long-term portion of $6.3 million (December 31, 2022: $6.1 million).

b) Directors' fees and remuneration to officers

In Q1-2023, the Company paid or accrued $0.4 million in salaries, management fees and bonuses to companies associated with certain officers (Q1-2022: $0.5 million). In the same period, Amerigo paid or accrued $0.1 million in directors' fees (Q1-2022: $0.1 million) and share-based payments of $0.2 million (Q1-2022: $0.1 million). These transactions were in the ordinary course of business and measured at market rates determined on a cost-recovery basis.

In Q1-2023, 2,695,000 options were granted to Amerigo directors and officers (2022: 2,645,000 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 Q1-2023, management's significant judgements and the key sources of estimation uncertainty were consistent with those used to prepare Amerigo's 2022 annual consolidated financial statements. For more information, refer to Amerigo's year ended December 31, 2022, annual consolidated financial statements 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 promptly 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 the 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 preventing 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 in preparing and presenting financial statements.

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

Subsequent events

- Subsequent to March 31, 2023, the Company purchased 39,600 common shares under its NCIB.
- Subsequent to March 31, 2023, 33,333 options were exercised on a cashless basis.
- On April 4, 2023, the Company repaid the molybdenum plant lease in full by pre-paying $1.0 million in monthly payments as well as the $1.1 million balloon payment due at the end of the lease.
- On May 1, 2023, Amerigo's Board of Directors declared a quarterly dividend of Cdn$0.03 per share, payable on June 20, 2023 to shareholders of record as of May 30, 2023.

Commitments

- MVC has a long-term agreement for the supply of 100% of MVC's power requirements to December 31, 2037. The agreement establishes minimum stand-by charges based on peak hour power supply calculations, estimated to range from $1.1 million to $1.3 million monthly.
- 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 that there is no obligation to record a provision because the amount, if any, is not possible to determine.

Securities Outstanding

On May 1, 2023, Amerigo had 165,446,202 common shares and 10,793,340 options (exercisable at prices ranging from Cdn$0.40 to Cdn$1.62 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.

Environmental, Social and Governance ("ESG") Objectives

Amerigo is committed to adding shareholder value through operational excellence and sustainability at the MVC operation. The environmental impact of operations and the health and safety of the Company's employees and surrounding communities remain a top priority. Some of our ESG objectives include the following:

- operating in a socially responsible manner and with sound environmental management practices;
- engaging in environmentally responsible activities to protect the community, natural resources and cultural heritage at and around the MVC operation;
- building and maintaining respectful relationships with people in the community, employees and other stakeholders;
- developing health and safety policies for employees contribute to the prevention of injuries and illness; and
- ensuring that the Safety, Occupational Health, Environmental and Social Responsibility Policy is followed to guide its activities and ensure compliance with applicable Chilean regulations.

Amerigo has published ESG Key Performance Indicators (available on www.amerigoresources.com) for the years 2019 to 2022, including health and safety, copper contribution, mining waste generated, energy, air quality, biodiversity, environmental compliance, water consumption, water withdrawal, community disputes, economic impact, employment, diversity and anti-corruption indicators.

Cautionary Statement on Forward-Looking Information

This MD&A contains certain forward-looking information and statements defined in applicable securities laws (collectively called "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 are intended to identify forward-looking statements. These forward-looking statements include but are not limited to, statements concerning:

- forecasted production and operating costs;
- 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 2023 sustaining capital expenditures and other Capex projects, and the number of sustaining capital and other Capex projects to be completed during 2023;
- the estimated date of delivery of the stand-by power transformer, the timing of when the installation work for the stand-by unit will be completed and the timing for when the standby unit will be connected to the MVC electrical system;
- the sufficiency of MVC's water reserves to maintain Cauquenes tonnage projected processing for a period of at least eighteen months;
- prices and price volatility for copper, molybdenum and other commodities and materials we use in our operations;
- the expected amount of the DET royalty to be paid during 2023;

- 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 financial condition 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;
- 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 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; risks associated with supply chain disruptions; 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 to the Company and its operations and Codelco and its operations. Codelco's ongoing mining operations provide a significant portion of the materials MVC processes and resulting metals production. Therefore, these risks and uncertainties may also affect their operations and have a material effect on the Company.

Actual results and developments are likely to 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 we do business with.

Future production levels and cost estimates assume no adverse mining or other events significantly affecting budgeted production levels.

Climate change is a global issue that could pose new challenges affecting the Company's operations. This could include more frequent and intense droughts followed by intense rainfall. In the last several years, there have been persistent drought conditions in Central Chile. The Company's Colihues operation is sensitive to water availability and the reserves required to process the projected Cauquenes tonnage.

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 results to differ materially from those estimated, 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.