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Amerigo Resources Ltd.
Management's Discussion and Analysis
For the Three and Six Months Ended June 30, 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 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 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 July 31, 2023.

It should be read in conjunction with Amerigo's condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 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, including IAS 34, 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 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 Q2-2023 and Q2-2022 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 Q2-2023 and Q2-2022 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	Q2-2023	Q2-2022	Change	
			$	%
Copper produced (million pounds) [1]	13.6	14.9	(1.3)	(9%)
Copper delivered (million pounds) [1]	13.7	14.9	(1.2)	(8%)
Revenue ($ thousands) [2]	32,036	33,584	(1,548)	(5%)
DET notional copper royalties ($ thousands)	13,997	18,281	(4,284)	(23%)
Tolling and production costs ($ thousands)	35,341	31,968	3,373	11%
Gross (loss) profit ($ thousands)	(3,305)	1,616	(4,921)	(305%)
Net loss ($ thousands)	(3,793)	(5,071)	1,278	(25%)
Loss per share	(0.02)	(0.03)	0.01	(33%)
Loss per share (Cdn$) [3]	(0.03)	(0.04)	0.01	(25%)
Operating cash flow before changes in working capital ($ thousands) [4]	(2,303)	(3,952)	1,649	(42%)
Free cash flow to equity[5]	(12,827)	(10,657)	(2,170)	20%
Cash flow paid for plant and equipment ($ thousands)	(4,791)	(3,010)	(1,781)	59%
Cash and cash equivalents ($ thousands)	31,675	53,020	(21,345)	(40%)
Borrowings ($ thousands) [6]	19,723	27,022	(7,299)	(27%)
MVC's copper price ($/lb) [7]	3.80	4.10	(0.30)	(7%)
MVC's molybdenum price ($lb) [8]	20.76	17.58	3.18	18%

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 Loss per share in Canadian dollars ("Cdn") was calculated by converting the net loss to Cdn using the average USD-Cdn foreign exchange rate during the period of 1 USD:1.34302 Cdn (Q2-2022: 1 USD:1.2768 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 June 30, 2023, comprised of short and long-term portions of $7.0 and $12.7 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

- Amerigo's Q2-2023 financial performance was impacted by the planned 8-day annual plant maintenance shutdown but unexpectedly affected by a full shutdown commencing on June 23, 2023, caused by extraordinary flooding that disconnected MVC from Chile's central power grid. This shutdown resulted in 1.3 million pounds of lost copper production, bringing production 9% lower than in Q2-2022.

- The 9% decline in copper deliveries and a lower average copper price of $3.80 per pound ("/lb"), compared to $4.10/lb, resulted in lower gross copper revenue of $10.9 million in the quarter.

- Net loss during Q2-2023 was $3.8 million, compared to a net loss of $5.1 million in Q2-2022 due to stronger foreign exchange gains and a lower income tax expense.

- Loss per share ("LPS") during Q2-2023 was $0.02 (Cdn$0.03) (Q2-2022: $0.03 (Cdn$0.04)).

- Q2-2023 copper production was 13.6 million pounds ("M lbs") (Q2-2022: 14.9 M lbs), including 8.8 M lbs from fresh tailings (Q2-2022: 9.1 M lbs) and 4.8 M lbs from Cauquenes historical tailings (Q2-2022: 5.8 M lbs).

- Molybdenum production during Q2-2023 was 0.3 million pounds (Q2-2022: 0.2 million pounds). MVC's molybdenum price increased to $20.76/lb (Q2-2022: $17.58/lb), resulting in a Q2-2023 molybdenum revenue of $2.9 million (Q2-2022: $2.2 million).

- Copper tolling revenue is calculated from the gross value of copper produced in Q2-2023 of $52.8 million (Q2-2022: $63.7 million) and negative fair value adjustments to settlement receivables of $3.5 million (Q2-2022: $7.9 million), less notional items including DET royalties of $14.0 million (Q2-2022: $18.3 million), smelting and refining of $5.7 million (Q2-2022: $5.8 million) and transportation of $0.4 million (Q2-2022: $0.4 million).

- The Company used operating cash flow before changes in non-cash working capital (a non-IFRS measure, page 7) of $2.3 million in Q2-2023 (Q2-2022: $4.0 million). Quarterly net operating cash flow was $0.5 million (Q2-2022: $0.5 million). There was negative free cash flow to equity (a non-IFRS measure, page 7) of $12.8 million (Q2-2022: $10.7 million).

  Q2-2023 cash cost (a non-IFRS measure, page 12) was $2.37/lb (Q2-2022: $2.01/lb), impacted by lower production, which resulted in increases of $0.29/lb in other direct costs, $0.08/lb in power costs, a $0.03/lb in smelting and refining, and $0.03/lb in administration. The increases were mitigated by stronger molybdenum by-product credits of $0.06/lb from stronger molybdenum production and prices.

- Q2-2023 total cost (a non-IFRS measure, page 12) increased to $3.84/lb (Q2-2022: $3.61/lb) due to a $0.36/lb increase in cash cost and a $0.03/lb increase in depreciation, mitigated by a $0.16/lb decrease in DET notional royalties from lower copper prices.

- Amerigo's financial performance is sensitive to changes in copper prices. MVC's Q2-2023 provisional copper price was $3.80/lb. The final prices for April, May and June 2023 sales will be the average London Metal Exchange ("LME") prices for July, August and September 2023, respectively. A 10% increase or decrease from the $3.80/lb provisional price would result in a $5.2 million change in revenue in Q3-2023 regarding Q2-2023 production.

- In Q2-2023, Amerigo returned $4.5 million to shareholders (Q2-2022: $13.0 million), including $3.7 million through Amerigo's regular quarterly dividend of Cdn$0.03 per share (Q2-2022: $4.1 million), and $0.8 million used to repurchase for cancellation 0.7 million common shares (Q2-2022: $8.9 million used to repurchase 6.8 million common shares).

- In Q2-2023, the Company made scheduled debt payments of $3.5 million (Q2-2022: $3.5 million), lease repayments of $1.7 million (Q2-2022: $0.2 million) and paid $4.8 million for plant and equipment (Q2-2022: $3.0 million).

- On June 30, 2023, the Company held cash and cash equivalents of $31.7 million (December 31, 2022: $37.8 million), a restricted cash balance of $4.2 million (December 31, 2022: $4.2 million) and had a working capital deficiency of $4.9 million (December 31, 2022: working capital of $10.0 million).

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

SUMMARY OF FINANCIAL RESULTS Q2-2023 TO Q2-2022

	Q2-2023 $	Q1-2023 $	Q4-2022 $	Q3-2022 $	Q2-2022 $	Q1-2022 $
Copper production, million pounds [1]	13,631	16.517	16.612	15.999	14.921	16.469
Copper deliveries, million pounds [1]	13,669	16.490	16.791	16.175	14.861	16.289
MVC's copper price ($/lb)	3.80	4.02	3.80	3.50	4.10	4.64
Financial results ($ thousands)						
Revenue						
Gross value of copper produced	52,809	66,798	61,142	56,754	63,667	73,797
Adjustments to fair value of settlement receivables	(3,521)	3,374	4,785	(8,776)	(7,849)	5,612
	49,288	70,172	65,927	47,978	55,818	79,409
Notional items deducted from gross value of copper produced:						
DET royalties - copper	(13,997)	(18,438)	(15,626)	(14,276)	(18,281)	(22,290)
Smelting and refining	(5,697)	(6,661)	(5,974)	(5,926)	(5,791)	(6,274)
Transportation	(417)	(464)	(423)	(410)	(403)	(466)
Copper tolling revenue	29,177	44,609	43,904	27,366	31,343	50,379
Molybdenum and other revenue	2,859	8,039	5,941	3,492	2,241	3,386
	32,036	52,648	49,845	30,858	33,584	53,765
Tolling and production costs						
Tolling and production costs	(27,663)	(30,693)	(33,259)	(27,323)	(25,090)	(25,121)
Depreciation and amortization	(5,028)	(4,986)	(5,262)	(5,125)	(5,059)	(4,924)
Administration	(1,643)	(1,685)	(1,500)	(1,275)	(1,301)	(1,616)
DET royalties - molybdenum	(1,007)	(1,806)	(987)	(691)	(518)	(678)
	(35,341)	(39,170)	(41,008)	(34,414)	(31,968)	(32,339)
Gross (loss) profit	(3,305)	13,478	8,837	(3,556)	1,616	21,426
Other expenses						
Derivative to related parties including changes in fair value	301	(255)	1,241	210	788	477
Salaries, management and professional fees	(460)	(661)	(960)	(494)	(453)	(971)
Office and general expenses	(279)	(397)	(557)	(284)	(222)	(400)
Share-based payment compensation	(293)	(271)	(270)	(263)	(282)	(208)
	(1,032)	(1,329)	(1,787)	(1,041)	(957)	(1,579)
Foreign exchange gain (loss)	806	1,527	2,288	(789)	(2,942)	1,227
Writedown of obsolete equipment and supplies	-	-	32	-	-	(551)
Writedown of obsolete power generators	-	-	(11,497)	-	-	-
Other (losses) gains	(43)	21	(123)	33	22	12
	763	1,548	(9,300)	(756)	(2,920)	688
	32	(36)	(9,846)	(1,587)	(3,089)	(414)
Operating (loss) profit	(3,273)	13,442	(1,009)	(5,143)	(1,473)	21,012
Finance (expense) gain	(359)	(827)	(600)	(204)	(267)	114
(Loss) income before income tax	(3,632)	12,615	(1,609)	(5,347)	(1,740)	21,126
Income tax (expense) recovery	(161)	(3,530)	7	905	(3,331)	(5,637)
Net (loss) income	(3,793)	9,085	(1,602)	(4,442)	(5,071)	15,489
(Loss) earnings per share - basic	(0.02)	0.05	(0.01)	(0.03)	(0.03)	0.09
(Loss) earnings per share - diluted	(0.02)	0.05	(0.01)	(0.03)	(0.03)	0.09
(Loss) earnings per share Cdn$ - basic	(0.03)	0.07	(0.01)	(0.03)	(0.04)	0.11
(Loss) earnings per share Cdn$ - diluted	(0.03)	0.07	(0.01)	(0.03)	(0.04)	0.11
Unit tolling and production costs	2.59	2.38	2.44	2.13	2.15	1.99
Cash cost ($/lb) [2]	2.37	1.91	2.10	1.93	2.01	1.90
Total cost ($/lb) [2]	3.84	3.44	3.42	3.18	3.61	3.59
Uses and sources of cash ($thousands)						
Operating cash flow before non-cash working capital changes [2]	(2,303)	13,192	15,632	2,617	(3,952)	20,609
Net cash from (used in) operating activities	504	18,200	3,711	(4,124)	508	23,536
Cash used in investing activities	(4,791)	(4,383)	(2,564)	(1,814)	(3,010)	(2,419)
Cash used in financing activities	(8,041)	(7,717)	(5,393)	(6,188)	(14,394)	(9,917)
Ending cash and cash equivalents	31,675	43,923	37,821	41,813	53,020	71,095
Ending restricted cash	4,201	4,256	4,215	6,384	4,198	6,383

Notes:

1 Includes production from fresh tailings and Cauquenes tailings.

2 Non-IFRS measures include operating cash flow before non-cash working capital changes, cash, and total costs. 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, free cash flow and free cash flow to equity for the periods presented in this MD&A:

(Expressed in thousands)	**Q2-2023** **$**	**Q2-2022** **$**
Net cash provided by operating activities	504	508
Deduct:		
Changes in non-cash working capital	(2,807)	(4,460)
Operating cash flow before non-cash working capital	**(2,303)**	**(3,952)**

(Expressed in thousands)	**Q2-2023** **$**	**Q2-2022** **$**
Operating cash flow before changes in non-cash working capital	(2,303)	(3,952)
Deduct:		
Cash used to purchase plant and equipment	(4,791)	(3,010)
Repayment of borrowings, net of new debt issued	(4,059)	(3,500)
Lease repayments	(1,674)	(195)
Free cash flow to equity	**(12,827)**	**(10,657)**
Add:		
Repayment of borrowings, net of new debt issued	4,059	3,500
Lease repayments	1,674	195
Free cash flow	**(7,094)**	**(6,962)**

OPERATING RESULTS

Copper production in Q2-2023 was 13.6 M lbs (Q2-2022: 14.9 M lbs), and copper deliveries were 13.7 M lbs (Q2-2022: 14.9 M lbs).

During Q2-2023 and Q2-2022, MVC had the scheduled annual plant maintenance shutdown, making these quarters the lowest-production quarters of the year.

MVC production was halted from June 23, 2023 through the end of the quarter due to extraordinary flooding that severed MVC's connection to Chile's central power grid, resulting in 1.3 M lbs of lost copper production in the quarter.

Concerning fresh tailings, MVC's Q2-2023 copper production was 8.8 M lbs (Q2-2022: 9.1 M lbs), representing 65% of copper production (Q2-2022: 61%).

Copper production from Cauquenes in Q2-2023 was 4.8 million pounds (Q2-2022: 5.8 million pounds).

MVC's average plant availability during Q2-2023 was 93.2%.

MVC's water reserves on June 30, 2023 were over 10.0 million cubic meters, and remain sufficient to maintain projected Cauquenes processing rates for at least eighteen months, our maximum forecast horizon.

Molybdenum production during Q2-2023 was 0.3 million pounds (Q2-2022: 0.2 million pounds).

Subsequent to June 30, 2023, MVC secured alternative power sources which on July 6, 2023, enabled MVC to restart processing fresh tailings while repair work to the infrastructure necessary for reconnection to the central grid was underway. On July 21, 2023, MVC was reconnected to the central power grid.

Additional information on the production results for Q2-2023 and Q2-2022 is included below:

PRODUCTION	Q2-2023	Q2-2022
FRESH TAILINGS		
Tonnes per day	138,261	146,675
Operating days	76	81
Tonnes processed	10,535,165	11,917,602
Copper grade (%)	0.169%	0.162%
Copper recovery	22.3%	21.4%
Copper produced (M lbs)	8.79	9.13
CAUQUENES TAILINGS		
Tonnes per day	36,487	37,783
Operating days	72	82
Tonnes processed	2,624,532	3,120,184
Copper grade (%)	0.254%	0.255%
Copper recovery	32.8%	33.2%
Copper produced (M lbs)	4.84	5.79
COPPER		
Total copper produced (M lbs)	13.63	14.92

2023 Production and Cash Cost Outlook Update

As a result of lost production associated with the flooding event of June 2023, Amerigo revised its annual copper production guidance from 62.3 M lbs to 60.5 M lbs of copper. Annual molybdenum production guidance of 1.0 M lbs is maintained.

The Company's 2023 guidance for annual cash cost (a non-IFRS measure, page 12) was $2.14/lb and is currently estimated to reach $2.27/lb, predominantly from a stronger Chilean peso ("CLP") to the USD and the effect of our lower copper production guidance. This is explained as follows:

Our original guidance assumed an exchange rate of CLP 920 to $1 USD and indicated that a 10% change in the CLP to USD foreign exchange rate would impact $0.08/lb on cash cost. We currently estimate an annual CLP to USD exchange rate of $804 (a 13% variance) for an increase in cash cost of $0.10/lb.

Our reduced copper production guidance would contribute to an increase in cash cost of $0.05/lb.

Another factor impacting cash cost is the higher costs incurred in July for a secondary power source while MVC was disconnected from the central power grid, which will have a cash cost impact of $0.04/lb. In July, power cost is estimated to reach $1.20/lb compared to an average cost of $0.61/lb for the year, excluding July. In addition, the $0.61/lb normalized power cost expected in 2023 is $0.04/lb over our original guidance, attributable to increased pass-through charges from the Chilean grid.

All other projected cost variances would account for an increase in cash cost of $0.02/lb.

Stronger molybdenum by-product credits have essentially mitigated all other impacts on cash cost. We currently expect an average molybdenum price of around $24.50/lb, compared to a guidance price of $16.00/lb, favourably impacting cash cost by about $0.12/lb/

In 2023, MVC is expected to incur $15.8 million in capital expenditures on projects ("Capex"), up $2.5 million from our original guidance of $13.3 million due to $1.3 million from a stronger CLP, $1.1 million incurred in the project to reconnect MVC to the central power grid, and $0.1 million in cost increases.

Capitalizable maintenance and strategic spares are expected to be $3.5 million, up from $2.8 million, an increase of $0.7 million, of which $0.4 million will arise from a stronger CLP and $0.3 million will come from replacing equipment to improve operational performance at MVC.

Concerning financial obligations, MVC's second semi-annual scheduled bank debt repayment of $3.5 million plus interest will take place in December 2023.

FINANCIAL RESULTS – Q2-2023

Net loss in Q2-2023 was $3.8 million with a $0.02 basic and diluted LPS (Cdn$0.03) (Q2-2022: net loss of $5.1 million with a $0.03 basic and diluted LPS (Cdn$0.04)), primarily due to lower revenue and higher tolling and production costs, mitigated by stronger foreign exchange gains.

Revenue

Revenue in Q2-2023 was $32.0 million (Q2-2022: $33.6 million).

(Expressed in thousands)	Q2-2023 $	Q2-2022 $
Average LME copper price per pound	3.85	4.32
Gross value of copper produced	52,809	63,667
Adjustments to fair value of settlement receivables[1]	(3,521)	(7,849)
	49,288	55,818
Notional items deducted from gross value of copper produced:		
DET royalties - copper	(13,997)	(18,281)
Smelting and refining charges	(5,697)	(5,791)
Transportation	(417)	(403)
Copper tolling revenue	29,177	31,343
Molybdenum revenue	2,859	2,241
Revenue	32,036	33,584
MVC's copper price ($/lb)[2]	3.80	4.10
MVC's molybdenum price ($/lb)	20.76	17.58

Notes:

1. Of the $3.5 million in negative adjustments to fair value of settlement receivables, $2.7 million are in respect of Q1-2023 sales and are final adjustments, and $0.8 million are in respect of Q2-2023 sales and are provisional adjustments (Q2-2022: $5.1 million were final adjustments in respect of Q1-2022 sales and $2.8 million were provisional adjustments in respect of Q2-2022 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 June 30, 2023, the provisional copper price used by MVC was $3.80/lb. Our financial performance is sensitive to changes in copper prices. A 10% increase or decrease from the $3.80/lb provisional price would result in a $5.2 million change in revenue in Q3-2023 regarding Q2-2023 production.

DET royalties on copper production are a notional item deducted from MVC's gross value of copper produced. In Q2-2023, DET notional copper royalties were $14.0 million (Q2-2022: $18.3 million) due to lower copper prices and deliveries.

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 Q2-2023, pricing terms were M+4 regarding the average Platts molybdenum dealer oxide price of the month of sale.

In Q2-2023, MVC's molybdenum sales price was $20.76/lb (Q2-2022: $17.58/lb).

Tolling and Production Costs

(Expressed in thousands)	Q2-2023 $	Q2-2022 $
Direct tolling and production costs		
Power costs	7,799	7,429
Direct labour	3,146	2,614
Grinding media	2,362	2,740
Lime costs	1,240	1,371
Other direct tolling / production costs	13,116	10,936
	27,663	25,090
Depreciation and amortization	5,028	5,059
Administration	1,643	1,301
DET royalties - molybdenum	1,007	518
Tolling and production costs	35,341	31,968
Unit tolling and production costs ($/lb delivered)	2.59	2.15

During Q2-2023, power costs increased by $0.4 million or 5% compared to Q2-2022 due to U.S. contractual annual CPI adjustments to MVC's base power tariff and an increase in pass-through charges from the Chilean power grid, which apply to all industrial consumers. This was mitigated by an 8% decrease in power consumption quarter over quarter associated with lower production. Power costs in Q2-2023 were $0.1082/kWh (Q2-2022: $0.0945/kWh).

The value of the Chilean peso ("CLP") against the U.S. dollar strengthened 5% in Q23-2023, compared to Q2-2022. This is an important driver behind the quarter-on-quarter increase in costs denominated in CLP.

Direct labour increased by $0.5 million due to inflation-driven salary adjustments to MVC's workers and a stronger CLP compared to Q2-2022.

During Q2-2023, grinding media decreased by $0.4 million due to lower consumption and lower input costs.

In aggregate, other direct tolling costs increased by $2.2 million in Q2-2023, as follows: $0.6 million in maintenance, $0.5 million in historic tailings extraction, $0.4 million in copper reagents, $0.3 million in industrial water, $0.2 million in process control, environmental and safety, and $0.3 million in subcontractors. Tolling and production costs prior to the planned plant shutdown were 8% over budget, primarily driven by 4% higher-than-budget copper production, 10% higher-than-budget molybdenum production and a stronger CLP.

(Expressed in thousands)	Q2-2023 $	Q2-2022 $
Other direct tolling costs		
Maintenance, excluding labour	2,943	2,385
Historic tailings extraction	2,107	1,644
Molybdenum production costs	2,013	2,039
Copper reagents	1,471	1,087
Process control, environmental and safety	1,359	1,123
Industrial water	1,337	1,074
Subcontractors, support services	1,165	897
Filtration and all other direct tolling costs	414	377
Inventory adjustments	307	310
	13,116	10,936

($/lb Cu)	Q2-2023	Q2-2022
Other direct tolling costs		
Maintenance, excluding labour	0.21	0.16
Historic tailings extraction	0.15	0.11
Molybdenum production costs	0.15	0.14
Copper reagents	0.11	0.07
Process control, environmental and safety	0.10	0.08
Industrial water	0.10	0.07
Subcontractors, support services	0.09	0.06
Filtration and all other direct tolling costs	0.03	0.03
Inventory adjustments	0.02	0.02
	0.96	0.74

Depreciation and amortization in Q2-2023 were $5.0 million (Q2-2022: $5.1 million).

Administration expenses during Q2-2023 were $1.6 million (Q2-2022: $1.3 million) due to $0.2 million in higher labour costs and $0.1 million in higher professional fees.

Due to stronger molybdenum market prices, DET royalties for molybdenum in Q2-2023 increased to $1.0 million (Q2-2022: $0.5 million).

Other Expenses

Other expenses of $nil in Q2-2023 (Q2-2022: $3.1 million) are costs not related to MVC's production operations and include:

- General and administration expenses of $1.0 million (Q2-2022: $1.0 million), including salaries, management, and professional fees of $0.5 million (Q2-2022: $0.5 million), office and general expenses of $0.3 million (Q2-2022: $0.2 million) and share-based payments of $0.3 million (Q2-2022: $0.3 million).

- Other gains of $0.8 million (Q2-2022: losses of $2.9 million) include a foreign exchange gain of $0.8 million (Q2-2022: foreign exchange loss of $2.9 million) from monetary adjustments at quarter end of amounts held in MVC which are denominated in CLP (cash held in CLP to meet operating costs in Chile, receivables and payables denominated in CLP, and tax prepayments made in CLP) as well as unrealized foreign exchange booked in connection with the translation of intercompany accounts in companies with non-USD functional currencies.

- A $0.3 million recovery associated with the related party derivative liability's fair value adjustment (Q2-2022: $0.8 million). The derivative recovery includes the actual monthly payments and the derivatives' fair value changes.

The Company's finance expense in Q2-2023 was $0.4 million (Q2-2022: $0.3 million), which includes interest on loans, leases, and bank charges of $0.7 million (Q2-2022: $0.7 million), offset by fair value changes on interest rate swaps ("IRS") of $0.4 million (Q2-2022: $0.4 million).

Income tax expense in Q2-2023 was $0.2 million (Q2-2022: $3.3 million), including $1.7 million in current tax and $1.5 million in deferred income tax recovery.

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 Q2-2023 and Q2-2022 is presented below:

(Expressed in thousands)	Q2-2023	Q2-2022
	$	$
Tolling and production costs	35,341	31,968
Add (deduct):		
DET notional royalties - copper	13,997	18,281
Smelting and refining charges	5,697	5,791
Transportation costs	417	403
Inventory adjustments	(307)	(310)
By-product credits	(2,859)	(2,241)
Total cost	52,286	53,892
Deduct:		
DET notional royalties - copper	(13,997)	(18,281)
DET royalties - molybdenum	(1,007)	(518)
	(15,004)	(18,799)
Depreciation and amortization	(5,028)	(5,059)
Cash cost	32,254	30,034
Copper tolled (M lbs)	13.63	14.92
Cash cost ($/lb)	**2.37**	**2.01**
Total cost ($/lb)	**3.84**	**3.61**

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

($/lb of copper produced)	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022
Power costs	0.58	0.56	0.57	0.50	0.50
Smelting & refining	0.42	0.40	0.36	0.37	0.39
Grinding media	0.17	0.15	0.18	0.19	0.18
Administration	0.12	0.10	0.09	0.08	0.09
Lime	0.09	0.12	0.10	0.11	0.09
Transportation	0.03	0.03	0.03	0.03	0.03
Other direct costs	1.17	1.04	1.13	0.87	0.88
By-product credits	(0.21)	(0.49)	(0.36)	(0.22)	(0.15)
Cash Cost	**$2.37**	**$1.91**	**$2.10**	**$1.93**	**$2.01**

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

($/lb of copper produced)	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022
Cash cost	2.37	1.91	2.10	1.93	2.01
DET notional royalites/royalties	1.10	1.23	1.00	0.93	1.26
Amortization/depreciation	0.37	0.30	0.32	0.32	0.34
Total Cost	**$3.84**	**$3.44**	**$3.42**	**$3.18**	**$3.61**

Total cost in Q2-2023 was $3.84/lb (Q2-2022: $3.61/lb) due to a $0.36/lb increase in cash cost and a $0.03/lb increase in depreciation, mitigated by a $0.16/lb decrease in DET notional royalties from lower copper prices.

FINANCIAL RESULTS – SIX MONTHS ENDED JUNE 30, 2023

YTD-2023, the Company produced 30.1 M lbs of copper, a decrease of 1.3 M lbs or 4% compared to YTD-2022 production of 31.4 M lbs. Production was impacted by eight days of lost production in June due to the flooding events described earlier in this MD&A.

Revenue YTD-2023 was $84.7 million (YTD-2022: $87.3 million) and tolling and production costs were $74.5 million (YTD-2022: $64.3 million), resulting in a gross profit of $10.2 million (YTD-2022: $23.0 million).

Revenue was negatively impacted by lower copper production and copper prices in YTD-2023.

Other gains were $2.3 million (YTD-2022: losses of $2.2 million) due to realized and unrealized foreign exchange gains or losses.

YTD-2023 finance expense was $1.2 million (YTD-2022: $0.2 million) driven mostly by a $0.5 million increase in interest expense associated with higher variable interest rates as well as a $0.6 million decrease on mark-to-market adjustments on the IRS.

The Company posted an income tax expense of $3.7 million (YTD-2022: $9.0 million).

YTD-2023, Amerigo generated net income of $5.3 million or $0.03 EPS (YTD-2022: $10.4 million or $0.06 EPS).

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.

	Q2-2023 $	Q1-2023 $	Q4-2022 $	Q3-2022 $
Total revenue (thousands)	32,036	52,648	49,845	30,858
Net (loss) income (thousands)	(3,793)	9,085	(1,602)	(4,442)
(LPS) EPS	(0.02)	0.05	(0.01)	(0.03)
Diluted (LPS) EPS	(0.02)	0.05	(0.01)	(0.03)

	Q2-2022 $	Q1-2022 $	Q4-2021 $	Q3-2021 $
Total revenue (thousands)	33,584	53,765	52,009	48,132
Net (loss) income (thousands)	(5,071)	15,489	8,888	8,420
(LPS) EPS	(0.03)	0.09	0.05	0.05
Diluted (LPS) EPS	(0.03)	0.09	0.05	0.05

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:

	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022	Q1-2022	Q4-2021	Q3-2021
Copper sales/deliveries [1]	13.7	16.5	16.8	16.2	14.9	16.3	16.7	16.9
MVC's copper price	3.80	4.02	3.80	3.50	4.10	4.64	4.32	4.23
Settlement adjustments[2]	(2.71)	3.81	2.14	(8.58)	(5.07)	3.76	3.00	(2.37)

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 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 price increased, and positive settlement adjustments impacted revenue. In Q1-2023, stronger copper prices and positive settlement adjustments resulted in higher revenue. In Q2-2023, revenue was negatively affected by lower copper delivered and a decrease in copper price that resulted in negative settlement adjustments.

The Company's quarterly results in the most recent eight quarters were also affected by higher or lower cost of sales:

	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022	Q1-2022	Q4-2021	Q3-2021
Tolling and production costs [1]	35.34	39.17	41.01	34.41	31.97	32.34	32.12	33.94
Unit tolling and production cost [2]	2.59	2.38	2.44	2.13	2.15	1.99	1.92	2.01

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 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. In Q2-2023, total tolling and production costs decreased, but copper delivered also decreased, resulting in a higher unit tolling and production cost.

LIQUIDITY, FINANCIAL POSITION AND BORROWINGS

Cash Flow From Operating Activities

In YTD-2023, the Company generated net cash from operating activities of $18.7 million (YTD-2022: $24.0 million). Excluding the effect of changes in working capital accounts, the Company generated cash of $10.9 million in operations in YTD-2023 (YTD-2022: $16.7 million).

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

On June 30, 2023, the provisional copper price used by MVC was $3.80/lb. Our financial performance is sensitive to changes in copper prices. For example, a 10% increase or decrease from the $3.80/lb price would result in a $5.2 million change in revenue in Q3-2023 regarding Q2-2023 production.

Cash Flow Used In Investing Activities

YTD-2023, the Company made Capex payments of $9.2 million (YTD-2022: $5.4 million).

Cash Flow Used in Financing Activities

In YTD-2023, Amerigo returned $10.0 million to shareholders: $7.3 million were paid through Amerigo's regular quarterly dividend of Cdn$0.03 per share, and $2.6 million were returned through the purchase of 2.3 million common shares for cancellation through Amerigo's NCIB.

In YTD-2023, the Company made debt repayments of $3.5 million (YTD-2022: $3.5 million) and $0.6 million in debt facility transaction fees (YTD-2022: $nil).

In YTD-2023, the Company made lease repayments of $1.9 million (YTD-2022: $0.5 million).

In YTD-2023, $0.1 million was received from stock options exercised (YTD-2022: $0.1 million).

Liquidity and Financial Position

On June 30, 2023, the Company had a working capital deficit of $4.9 million (December 31, 2022: working capital of $10.0 million), which was caused by 1.3 million pounds of lost copper revenue from the floodings described earlier in this MD&A and $3.5 million in negative adjustments to the fair value of settlement receivables. Depending on the price of copper from July to December 2023, MVC may require disbursing funds from its working capital line of credit to bridge timing collection from sales and payment of goods and services timing differences.

The Company expects to meet debt obligations from operating cash flow for the next 12 months.

Borrowings

(Expressed in thousands)	June 30, 2023 $	December 31, 2022 $
Term loan	19,723	23,650
	19,723	23,650
Comprise:		
Short-term debt and current portion of long-term debt	7,000	7,006
Long-term debt	12,723	16,644
	19,723	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 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 June 30, 2023, was 5.73% per annum plus a margin of 3.90%. As US Libor was discontinued on June 30, 2023, the variable interest rate from that date forward will be based on

SOFR plus a margin of 4.3%. The IRS has a term of June 30, 2026. On June 30, 2023, the balance of the Term Loan, net of transaction costs, was $19.7 million, and the IRS were in an asset position of $1.1 million.

The Line of Credit can be drawn in multiple disbursements and, on June 29, 2023, was extended to be available until June 30, 2025. The repayment terms would vary depending on the disbursement date, with a maximum repayment term of up to two years from each disbursement date. The interest rate would be based on the SOFR rate plus a margin to be defined on each disbursement date. As of June 30, 2023, MVC had 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 June 30, 2023, MVC held the required reserve funds of $0.7 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 June 30, 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 could be prepaid without penalty. On April 4, 2023, MVC repaid the lease in full by prepaying monthly payments of $1.1 million and the end-of-lease $1.1 million balloon payment.

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 contains early exit options exercisable by DET within 2021 (not exercised) 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 changes in the derivative's fair value.

In YTD-2023, the derivative liability decreased $0.6 million (Q2-2022: decreased $1.8 million), with $0.5 million paid or accrued to the Class A shareholder (YTD-2022: $0.5 million) and a change in derivative fair value recovery of $0.1 million (YTD-2022: $1.3 million)

On June 30, 2023, the derivative totalled $6.6 million (December 31, 2022: $7.2 million), with a current portion of $1.0 million (December 31, 2022: $1.0 million) and a long-term portion of $5.6 million (December 31, 2022: $6.2 million).

b) Directors' fees and remuneration to officers

In YTD-2023, the Company paid or accrued $0.6 million in salaries and fees to companies associated with certain officers (YTD-2022: $0.8 million). In the same period, Amerigo paid or accrued $0.2 million in directors' fees (YTD-2022: $0.2 million). Share-based payments were $0.4 million (YTD-2022: $0.3 million). These transactions were in the ordinary course of business and measured at market rates determined on a cost-recovery basis.

In YTD-2023, 1,700,000 options were granted to Amerigo directors and officers (2022: 1,700,000 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 Q2-2023, 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

- On July 21, 2023, MVC was reconnected to the central power grid.

- On July 31, 2023, Amerigo's Board of Directors declared a quarterly dividend of Cdn$0.03 per share, payable on September 20, 2023 to shareholders of record as of August 30, 2023.

Commitments

- On June 30, 2023, MVC has a long-term agreement for the supply of 100% of MVC's power requirements to December 31, 2037. The agreement established 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 July 31, 2023, Amerigo had 164,829,767 common shares and 10,776,671 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;
- the sufficiency of MVC's water reserves to maintain projected Cauquenes tonnage processing for a period of at least 18 months;
- prices and price volatility for copper, molybdenum and other commodities and 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 financial condition and our expected ability to redeploy other tools of our capital return strategy;
- 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;
- potential impact of production and transportation disruptions;
- 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, including the security of the quarterly dividends and our Capital Return Strategy; and
- general business and economic conditions, including, but not limited to, our assessment of strong market fundamentals supporting copper prices.

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 will likely differ materially from those expressed or implied by the forward-looking statements in this MD&A. Such statements are based on several 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, Central Chile has had persistent drought conditions. 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.