marimaca

COPPER CORP.

TSX: MARI

MANAGEMENT’S DISCUSSION AND ANALYSIS

For the three and nine months ended September 30, 2020 and 2019

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Contents

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations of Marimaca Copper Corp. (formerly Coro Mining Corp.) ("Marimaca Copper" or the "Company") has been prepared based on information available to the Company as at November 13, 2020, and should be read in conjunction with Marimaca Copper's unaudited condensed interim consolidated financial statements and related notes as at and for the three and nine months ended September 30, 2020 and 2019. The unaudited condensed interim consolidated financial statements and MD&A are presented in U.S. dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements in accordance with IAS 34, Interim Financial Reporting. All dollar amounts herein are expressed in United States dollars ("U.S. dollars") unless otherwise stated. References to $ mean U.S. dollars and C$ to Canadian dollars.

Readers are cautioned that the MD&A may contain forward-looking statements and that actual events may vary from management's expectations. Readers are encouraged to read the Cautionary Statement on forward looking information at the end of this MD&A and to consult Marimaca Copper's (formerly Coro Mining Corp.) audited consolidated financial statements for the years ended December 31, 2019 and 2018 and the corresponding notes to the financial statements which are available on our website at www.marimaca.com and on SEDAR at www.sedar.com.

Additional information on the Company, including the Company's Annual Information Form ("AIF") for the year ended December 31, 2019 is available under the Company's profile at www.sedar.com and the Company's website at www.marimaca.com.

1 Overview

Marimaca Copper is a Canadian publicly-listed exploration and development company focused on exploring for and developing new copper mines in Chile. The Company's shares are traded on the Toronto Stock Exchange ("TSX") under the symbol "MARI".

The Company's principal asset is the Marimaca Project, located in the Antofagasta Region of northern Chile. The Marimaca Project comprises a set of claims (the "1-23 Claims"), properties 100% owned and/or optioned by the Company combined with the adjacent La Atómica and Atahualpa claims over which Marimaca Copper has the right to explore and exploit resources and where the most intensive exploration activities have been focused, this larger area is referred to as "Marimaca".

The Company released an updated Mineral Resource Estimate ("MRE") for its wholly-owned Marimaca Project which contains 70 million tonnes, with an average grade of 0.60% copper, within the Measured & Indicated Categories (approximately 420Kt of contained copper) and 40 million tonnes, with an average grade of 0.52% copper, within the Inferred Category (approximately 224kt of contained copper) ***(please refer to the Company's press release dated 2 December 2019)***. This represented an increase of approximately 100% from an earlier MRE released in April 2018 and makes the Marimaca Project one of the most significant copper oxide discoveries in Chile in the last decade.

On August 4, 2020, the Company released the results of a Preliminary Economic Assessment ("PEA") on the Marimaca Project which confirmed that the Project has the potential to be a very low capital cost and a bottom quartile operating cost copper producer.

Highlights of the PEA include:

- $524 million after-tax NPV_8 (real) assuming a $3.15/lb flat long-term copper price:
    - Payback of 2.6 years;
    - After-tax IRR of 33.5%;
- Average steady state EBITDA of $163 million/year:
- Low pre-production capital cost of $285 million:
    - Capital intensity of $7,125/tonne of copper production capacity;
- Lowest quartile average all-in-sustaining cash costs life of mine of US$1.29/lb of copper[1]:
    - Life of mine average C1 Cash Costs of US$1.22/lb of copper[2];
- Average annual first five years steady state copper production of 40,000 tonnes of cathode:
    - Mine life of 12 years;
    - Total recovered copper of approximately 430,000 tonnes over the life of mine;
- Significant ongoing exploration potential for both oxide and sulphide mineralisation which could substantially extend the mine life of the Project.

COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. Since March 2020, the COVID-19 pandemic has had a material impact on the global economy, the scale and duration of which remain uncertain. To date, there has been significant volatility in commodity prices and foreign exchange rates, restrictions on the conduct of business in many jurisdictions, including travel restrictions, and supply chain disruptions. Depending on the duration and extent of the impact of COVID-19, this could materially impact the Company's results of operations, cash flows and financial position and could result in changes to estimates used to determine mineral resources and estimates used to determine the recoverable amounts of long-lived assets. Changes related to these could be material.

On March 17, 2020, the Company started implementing safety and economic measures as result of COVID-19 and as recommended by local government and health authorities. The Company closed its corporate office and instructed its employees to work from home and temporarily suspended: (i) most of its on-ground exploration activities that were carried out at the sites; and (ii) all visits to the sites. The Company´s Health and Safety Plans were implemented.

In September 2020, and considering that most of the lockdown was suspended in Chile, the Company decided to advance exploration activities that were originally scheduled for 2021 and started its exploration program relating the Marimaca Sulphide Target, which is below the Marimaca oxide Deposit ("MOD") and on the Naguayan sulphide belt with an initial budget of approximately $1.3 million which is expected to be incurred in Q4 2020.

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[1] All-in-sustaining cash costs is defined as cash cost (C1) plus general and administrative expenses, sustaining capital expenditure, deferred stripping, royalties and lease payments and is used by management to evaluate performance inclusive of sustaining expenditure required to maintain current production levels.
[2] C1 cash cost includes all mining and processing costs less any profits from by-products and is used by management to arrive at an approximated cost of finished metal.

2 Highlights

Corporate Highlights

- Released a PEA for the Marimaca Project indicating Marimaca has the potential to be a low capital cost, high margin, copper project with compelling economics;
- Released the results of a high resolution, drone mounted, magnetic survey which identified the Marimaca Sulphide Target for follow-up exploration work;
- Released the results of a district (7.5km by 5 km) extension of the high-resolution magnetic survey defines new, large scale, Marimaca style IOCG targets for follow-up exploration work.;
- Secured additional land in the Marimaca District under several option agreements;
- Greenstone Resources II L.P. ("GSII"), a major shareholder of the Company, exercised its right to convert a $12.0 million loan into a 75% interest in Rising Star Copper ("RSC"), which was a wholly-owned subsidiary of the Company prior to the conversion;
- Completed a name change from Coro Mining Corp. to Marimaca Copper Corp.;
- Completed a share consolidation on a 25 to 1 basis;
- Signed a definitive agreement to purchase a 49% interest in the Marimaca 1-23 claims ("1-23 Claims"), resulting in a 100% ownership; and
- Release of an independent Mineral Resource Estimate on the Marimaca Project which included 70 million tonnes with an average grade of 0.60% (approximately 420Kt of contained copper), within the Measured & Indicated categories, and 40 million tonnes with an average grade of 0.52% (approximately 224Kt of contained copper), within the Inferred category.

Financial Highlights

- Reduced capital expenditures to minimum levels for non-Marimaca assets;
- Secured a $6.0 million working capital facility to cover working capital and general operating costs; and
- Negotiated extensions to the payment schedules under certain option agreements.

3 Corporate Activities

RSC Conversion

On June 30, 2020, the Company received a conversion notice from GSII to convert the total outstanding principal of $12.0 million under a convertible facility agreement, into a 75% ownership interest in the Company's previously wholly-owned subsidiary, RSC, leaving the Company with a 25% interest in RSC. RSC is the ultimate parent of Sociedad Contractual Minera Berta ("SCM Berta"), whose assets include the Nora Plant and certain concessions.

On June 30, 2020, the Company signed the Joint Venture and Shareholder Agreement ("JV Agreement") along with GSII and RSC outlining the details of the conversion and whereby the Company agreed to manage the operations of RSC. Management concluded that, as of June 30, 2020, the Company lost control of its subsidiary, RSC, and as at June 30, 2020, the Company deconsolidated RSC's assets and liabilities from the Company's consolidated financial statements.

Upon the conversion and subsequent deconsolidation, the Company deconsolidated assets in the amount of $7.0 million and liabilities totaling $19.9 million.

Name Change and Share Consolidation

Marimaca has undertaken several restructuring initiatives to position the Company for the successful development of Marimaca. In line with the focus on its flagship Marimaca Project, the Company announced it changed its name to Marimaca Copper Corp. At the same time, the Company undertook a 25:1 share consolidation as part of a capital reorganisation ***(please refer to the Company's press release dated 26 May 2020)***.

Changes to the Board

As part of a broader corporate restructure, the Company announced changes to the Company's Board of Directors ***(please refer to the Company's press release dated 18 February 2020)*** including the transition of Mr. Colin Kinley from Non-Executive Chairman to a Non-Executive Director role and the appointment of Mr. Michael Haworth as the Company's Executive Chairman, reflecting the increasing time commitment expected of the role as the Company advances the development of its Marimaca Project. The board changes also include the appointment of Ms. Petra Decher as the lead independent Non-Executive Director, and Mr. Kinley assuming the role of Chairman of the Compensation Committee.

Environment, Social and Governance ("ESG")

The Company has maintains strong relationships with the various levels of governments and agencies, which has led to Marimaca Copper being invited to participate in a number of round table discussions, which the authorities are trying to maintain at the national and regional level with mining companies. As a result of this joint work with the authorities, the Marimaca Project was incorporated into the official Chilean marketing documentation that is being distributed globally, and specifically at PDAC 2020, which highlights the new Chilean mining projects to invest in.

The PEA work is taking into account all existing infrastructure in the Mejillones area, so that the future water and power sources for the Project will be selected to minimize, as much as possible, the negative impacts on the surrounding environment. Negotiations are well advanced to access water from an existing sea water pipeline. As a result, new pumping and pipeline facilities would not be required to be built for the Project, reducing its estimated capital expenditure and the corresponding installation footprints. Another consideration is to incorporate renewable energy sources (such as solar energy) into the power matrix that is being considered for the Project.

Finally, a Social Environmental Perception Study was undertaken in the Mejillones area, to determine the local community perception and expectations regarding the installation of a future mining project, such as Marimaca in the region. The main relevant conclusions of this study were:

- Industry is the main driver of Mejillones development.
- There is consensus on requesting business participation in local development.
- Communities expect local labor to be hired by new mining projects like Marimaca.

The main conclusions are in line with the Company´s view that Marimaca is conveniently located in a pro-mining jurisdiction.

4 Marimaca

Location

Marimaca is the Company's flagship asset and is located in the Antofagasta Region of northern Chile. The Marimaca Project is recognised for its exceptional location, just 14 kilometres from the highway and powerlines, 25 kilometres from the port of Mejillones and 45 kilometres from the regional capital of Antofagasta (See Figures 1 and 2 below).

The Mineral Resources Estimate ("MRE") was based on 346 reverse circulation holes ("RC") and 39 diamond holes ("DD") for a total of 91,210m drilled between 2016 and 2019 and was completed at a range of Cut-Off grades by independent consultants NCL Ingeniería y Construcción SpA ("NCL"). "). The MRE comprises 70 million tonnes, with an average grade of 0.60% total copper within the Measured & Indicated Categories of mineral resources (approximately 420Kt of contained copper), and 40 million tonnes with an average grade of 0.52% total copper within the Inferred Category of mineral resources (approximately 224kt of contained copper) ***(please refer to the Company's press release dated 2 December 2019).***

Cut-Off Grade (% CuT)	Measured			Indicated			Measured + Indicated			Inferred		
	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)	Mineral kt	CuT (%)	CuS (%)
0.40	14,403	0.81	0.55	30,600	0.74	0.48	45,003	0.76	0.50	23,607	0.70	0.40
0.30	17,865	0.72	0.49	40,253	0.64	0.42	58,118	0.67	0.44	33,410	0.60	0.35
0.22	20,721	0.66	0.44	49,666	0.57	0.37	70,387	0.60	0.39	43,015	0.52	0.31
0.18	22,072	0.63	0.42	54,109	0.54	0.35	76,181	0.57	0.37	47,164	0.49	0.29
0.10	23,087	0.61	0.41	57,619	0.52	0.33	80,706	0.54	0.35	50,641	0.47	0.27

Table 1: NI43-101 Mineral Resource Estimate at Various Cut-off Grades

** CuT means total copper and CuS means acid soluble copper. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Mineral resource technical and economic parameters included: copper price US$3.00/lb; mining cost US$2.00/t; HL processing cost including G&A US$9.00/t; ROM processing cost including G&A US$2.50/t; selling cost US$0.07/lb Cu; heap leach recovery 76% of CuT; ROM recovery 40% of CuT and a 44°-46°pit slope angle*

Preliminary Economic Assessment ("PEA")

The PEA for Marimaca was completed by Ausenco Engineering in conjunction with several Qualified Persons in various technical fields including NCL Ingeniería y Construcción SpA ("NCL") for mining and mine design and mineral resource estimation, and Jo Loyola Consultores de Procesos SpA ("JLCP") on metallurgy and process design. ***(please refer to the Company's press release dated 4 August 2020).***

The PEA was prepared in accordance with the requirements of the National Instrument 43-101, Standards of Disclosure for Mineral Projects, ("NI 43-101") and is based on MRE completed by NCL outlined above. The PEA is considered preliminary in nature and includes Inferred Mineral Resources that are considered too speculative, geologically, to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the PEA will be realized. The PEA is based on the material assumptions including assumptions about the availability of funding. While the Company considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PEA can be achieved.

No Mineral Reserves have been estimated for the project. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

Marimaca is amenable to bulk, open pit, mining methods and the PEA contemplates an owner operated fleet utilising a leasing option to minimise upfront capital costs associated with fleet purchase. The deposit's favourable geometry provides the Project with a low life of mine strip ratio of 0.84:1 as well as higher average grade in the first five years of mine life. This shortens the capital payback period and improves overall economics for the Project.

Due to the oxide resource, processing is via a standard heap leach and Run-of-Mine ("ROM") leach using sulphuric acid and seawater followed by conventional solvent extraction and electrowinning to produce an average of nearly 40,000 tonnes per annum of high grade copper cathode during steady state production. Heap leach pads are designed as dynamic leach pads where leach residue, known as ripios, are removed after the leaching cycle and stored in a dedicated waste facility. ROM leach pads are designed as static leach pads, with stack height increasing over the life of the mine.

Average recovery over the life of mine for the heap leach is estimated to be approximately 76% of total copper, and ranges from a high of approximately 82% in the pure oxide zones (brochantite / atacamite), which make up the majority of the project, down to approximately 49% in the enriched mineral subzone, which comprises a much smaller proportion of the overall mineable resource. Recovery over the life of mine for the ROM leach is estimated to be approximately 40% of total copper, comprising 9% of the estimated total copper cathode produced during the life of mine.

Summary of Economic Assumptions and Results

Copper Price Assumption	US$3.15/lb flat real
Pre-Tax NPV$_8$ & IRR	US$757 million / 39.9%
Post-Tax NPV$_8$ & IRR	US$524 million / 33.5%
Payback Period from First Production	2.6 years
Pre-Production Capital Costs	US$285 million[3]
Life of Mine Sustaining Capital	US$66 million
Ave. Annual Steady State EBITDA	US$169 million
Life of Mine C1 Operating Costs	US$1.22/lb of copper[4]
Life of Mine All-in-Sustaining Cash Costs	US$1.29/lb of copper[5]
Mine Life	12 years
Ave. Annual Metal Production (first 6 years)	Approximately 40,000 tonnes
Ave. Annual Metal Production Life of Mine (incl. ramp up)	35,600 tonnes
Steady State Average Process Recovery (Heap and ROM)	*76% / 40%*

Table 2: Summary of Economic Assumptions and Results

[3] Assumes mining fleet is financed through a lease to own contract structure to minimize upfront capital cost.
[4] All in sustaining costs is defined as cash cost (C1) plus general and administrative expenses, sustaining capital expenditure, deferred stripping, royalties and lease payments and is used by management to evaluate performance inclusive of sustaining expenditure required to maintain current production levels.
[5] C1 cash cost includes all mining and processing costs less any profits from by-products and is used by management to arrive at an approximated cost of finished metal.

Economics and Sensitivity Analysis

Copper Price US$/lb	Post-Tax NPV_8 Base Case US$ millions	Post-Tax NPV_8 Capex (-10%) US$ millions	Post-Tax NPV_8 Capex (+10%) US$ millions	Post-Tax NPV_8 Opex (-10%) US$ millions	Post-Tax NPV_8 Opex (+10%) US$ millions	Base Case IRR (%)
2.85	408	434	381	455	360	28.6%
3.00	466	492	439	514	418	31.1%
3.15	524	550	498	572	476	33.5%
3.30	582	608	556	630	535	35.7%
3.45	640	666	614	688	592	38.0%

Table 3: Sensitivity Analysis to Copper Price, Life of Mine Capital and Operating Costs

Capital and Operating Costs

The projected pre-production capital costs for Marimaca, which will be incurred over a 2-year construction period, were estimated on the basis of information from a variety of sources including direct equipment quotes, derivation from first principles and factoring from comparable benchmarks, and are summarized in the following table:

ITEM	COST ESTIMATE - US$ millions
Mining Equipment[6]	$14.0
Mine Development	$9.2
Crushing & Agglomeration	$22.7
Leaching	$43.5
SX-EW Plant	$81.1
Infrastructure (incl acid tanks, power supply, buildings)	$14.7
Sub Total Direct	**$185.1**
Indirect Costs	$42.6
Contingency	$56.9
Total Pre-Production Capital Cost	**$284.7**

Table 4: Summary of Estimated Pre-Production Capital Costs

[6] Assumes mining fleet is financed using a lease to own contract structure to minimize upfront capital cost.

ITEM	Cost Estimate US$ / tonne of material processed	Cost Estimate US$ / lb of Copper
Mining (incl. grade control, drill & blast, load and haul)	$3.19	$0.44
Processing Costs (incl crushing, acid, SX-EW and ripios disposal)	$4.95	$0.69
G&A	$0.54	$0.09
Total Operating Cost	**$8.68**	**$1.22**

Table 5: Summary of Estimated Average Life of Mine Operating Cost per Tonne of Material Processed

The Preliminary Economic Assessment is considered preliminary in nature and includes Inferred Mineral Resources that are considered too speculative, geologically, to have the economic considerations applied that would enable classification as Mineral Reserves. There is no certainty that the conclusions within the PEA will be realized. The PEA is based on the material assumptions outlined in this document. These include assumptions about the availability of funding. While the Company considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the PEA can be achieved.

No mineral reserves have been estimated for the project. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

Marimaca High Resolution Mag-Drone Survey defines a large sulphide target

Following the sulphide exploration work plan, the Company completed a drone mounted, high resolution, magnetic survey over an area of 2km by 2km which is directly coincident with the MOD and its immediate surrounding area. The survey was completed on 25m line spacing oriented east-west with north-south control lines every 250m, and with an average flight altitude of 20m above the ground, for a total of 1,600 line kilometres of survey data ***(please refer to the Company's press release dated 1 June 2020)***.

The results show a large magnetic anomaly adjacent to and underlying the current MOD Mineral Resource Estimate area. The magnetic anomaly, which extends to circa 700m below the MOD MRE area, appears to be controlled or truncated by the late stage, west-northwest trending Manolo fault. The magnetic anomaly also appears oriented on a north-south to north-north east strike, which is consistent with the strike of the MOD at surface (see Figure 6).

The mag survey on Marimaca Deposit area (2 km by 2 km) identified a significant magnetic anomaly beneath the current MOD, which dips to the east with the same geometry as the interpreted extension of the surface structures that host the copper mineralization at Marimaca. The strong correlation of the magnetic response and the primary sulphide bearing mineralized zones (mainly chalcopyrite), which was identified during the magnetic susceptibility testing of drill samples from Marimaca, provides a clear indication of a major copper sulphide target.

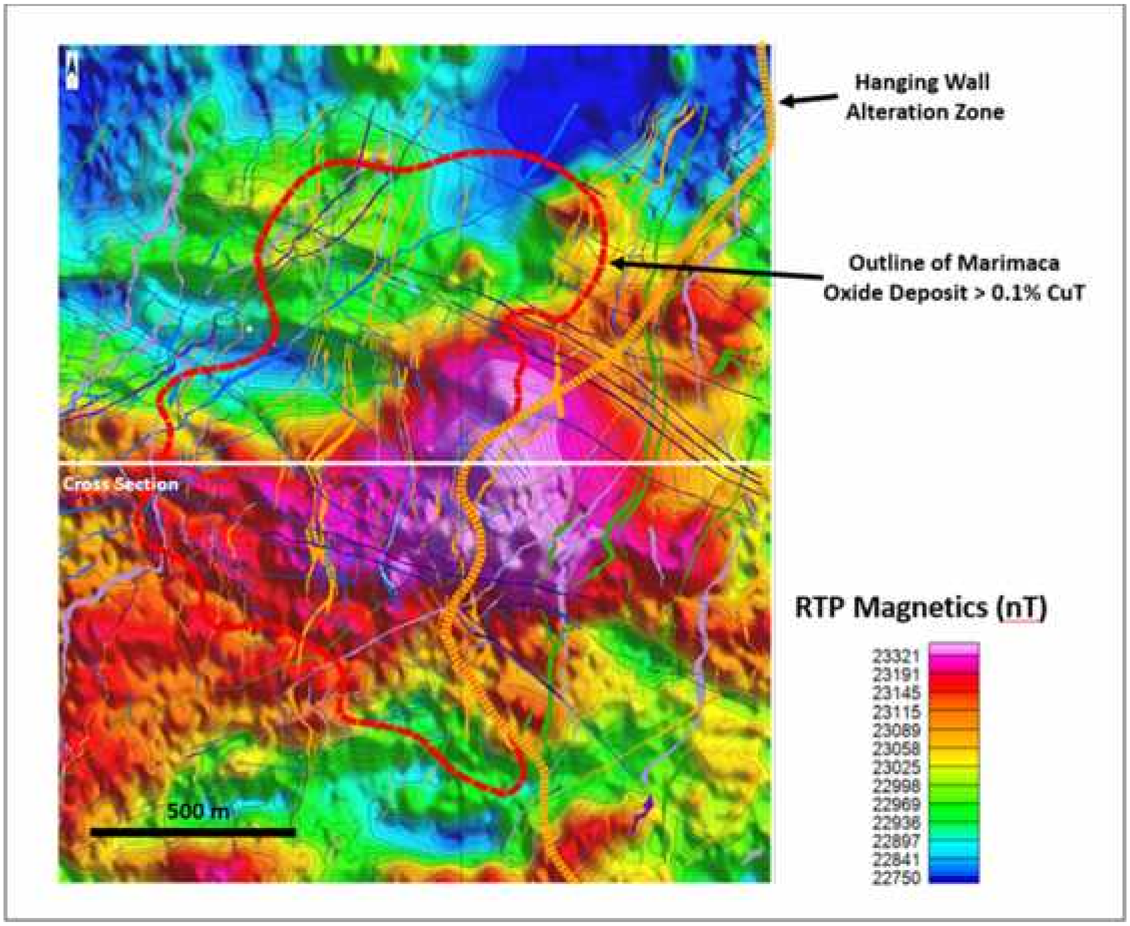

Figure 1: Pole Reduced Drone Mag Results on 2km x 2km Area over Marimaca Copper Project with location of main dykes and structures and the >0,1% CuT oxide surface outline. Cross section from Figures 8 and 9 is located for reference

A representative 2D EW cross section is shown in Figure 8, demonstrating the correlation between the MOD, the deep drilling sulphide intercepts and the projected high mag solid, as interpreted by means of the Magnetic Vector Inversion modelling technique. The > 0.03 SI magnetic susceptibility solid is fairly consistent with the geologic continuity interpretations. A 3D projected view of the same cross section is shown in Figure 2.

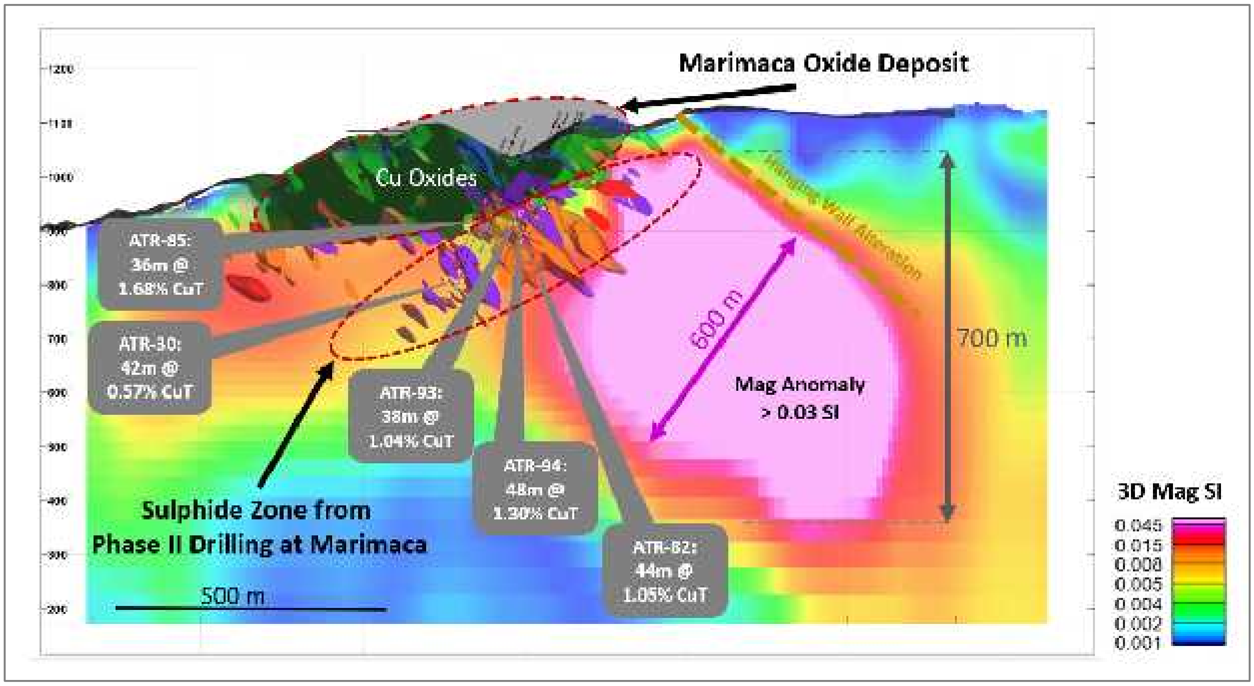

Figure 2: Cross Section with Interpreted Sulphide Zone, Previously Completed Sulphide Drill Results and Vector Inversion Magnetic Anomaly > 0.03 SI

Marimaca Sulphide Target Exploration Work

During the period, the Company commenced an Induced Polarization ("IP") Survey at the Marimaca Sulphide Target to help further refine drill hole location and orientations to test this exciting opportunity. These surveys highlight areas of higher sulphide content and help to identify priority zones, within the larger anomaly.

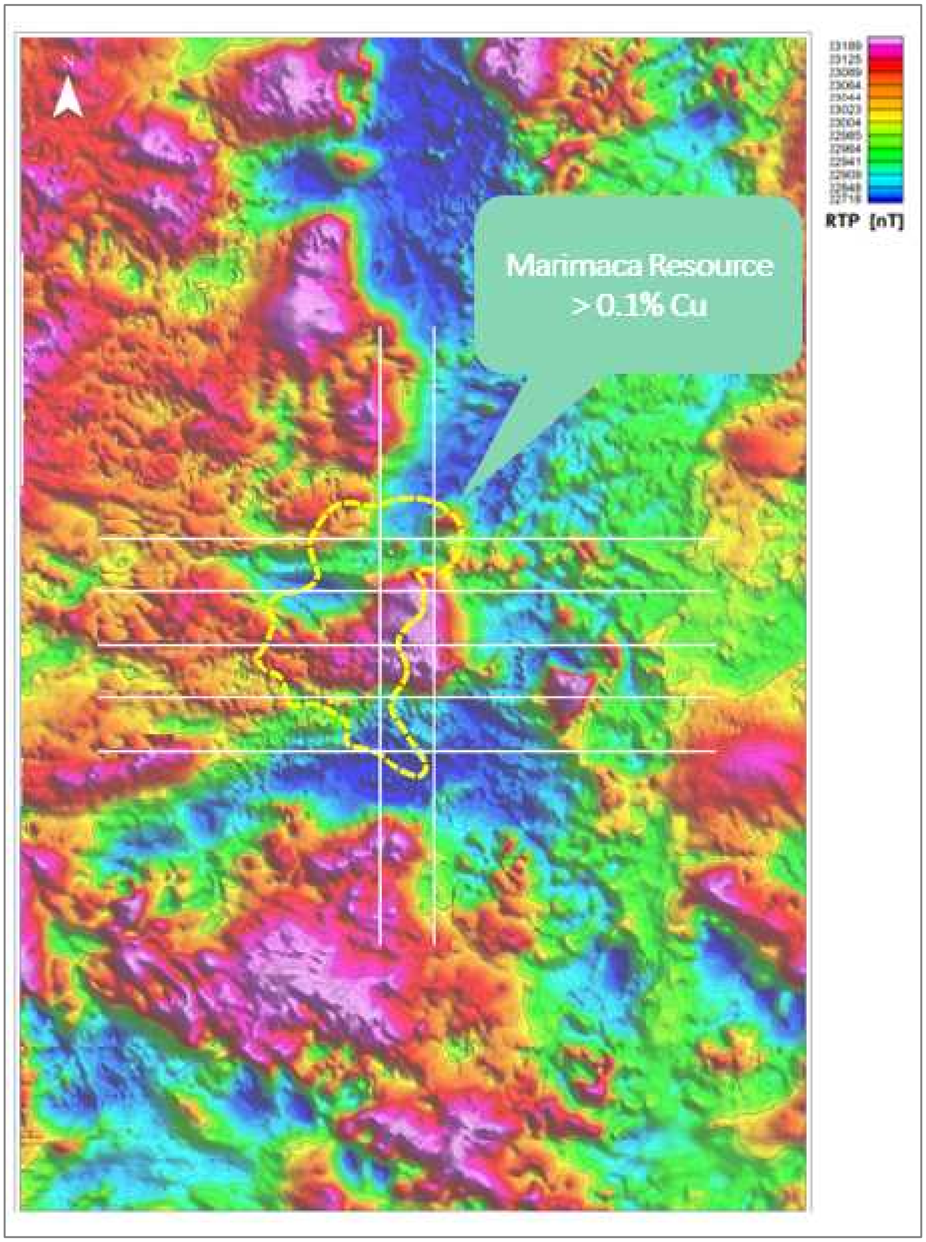

Figure 3: Map of Planned IP Lines at Marimaca Sulphide Target

The IP survey is being completed by GRS Geophysical Resources & Services with a total of 35 line km of surveys completed with east-west lines and two control lines north-south, all on 300m spacing. Figure 3 shows the IP line to be surveyed. Results for the IP survey are expected by December 2020 and, based on these results, the Company will begin detailed planning for the sulphide exploration drill campaign.

In addition, the Company will complete downhole magnetic surveys to provide additional resolution and detail in its understanding of the structural controls of mineralization at Marimaca.

Once the results of these surveys have been received, the Company will use the information to develop planned drill holes to target the Marimaca Sulphide Target. The Company expects to be drilling this target in Q1 2020.

Marimaca District: Magnetic Survey reveals multiple large scale Marimaca style targets and a new IOCG potentially large District potential

Following the results from the highresolution magnetics obtained at the MOD, which showed a large magnetic anomaly below the deposit, the Company flew a broader high resolution, magnetic survey in the Marimaca District, covering 7.5 km by 5 km. The objective was to identify potential repetitions of Marimaca's IOCG style mineralization ***(please refer to the Company's press release dated 23 September 2020)***.

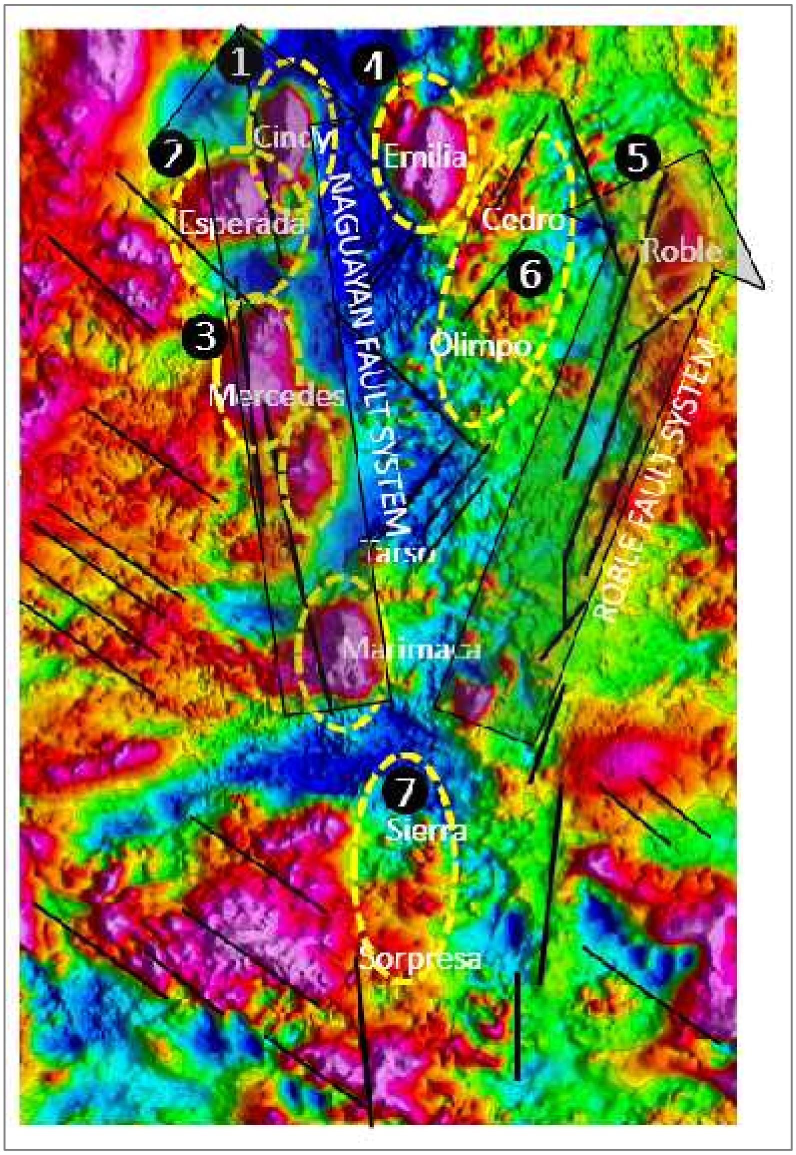

Figure 4: Map Showing Seven High Potential Marimaca Style Deposit Targets

The results were excellent and confirmed, in noticeably clear resolution, the Company's geological understanding of the region, but also provided significant further information on local and regional structures, especially the regionally extensive Naguayán and Robles Fault Systems, which extend to the north and to the north-east respectively (Figure 4).

Four large scale magnetic anomalies at Cindy, Esperada, Mercedes and Emilia were identified, which the Company believes are prospective copper exploration targets. All are proximal to historical high-grade artisanal copper workings where chalcopyrite was extracted along with magnetite and, in the case of Mercedes, open pits which exposed some copper oxide mineralization.

The initial focus of follow-up exploration work will be on the Mercedes and Cindy Targets, which have striking similarities with Marimaca including spatial relationship of the magnetic anomalies with the important Naguayan Fault, the orientation and dip of the magnetic anomalies as well as their proximity to historic artisanal copper workings hosting oxide and sulphide copper mineralization.

Marimaca's geological team is completing a range of work including geochemical sampling on a 50m by 50m grid and 1:1,000 geological mapping, which will provide more granular detail of the key geological features across these targets. The results of these programs are expected in early November for Mercedes and towards the end of December or early January for Cindy.

At Mercedes, the Company has noted several areas with copper oxide mineralization at surface in conjunction with brecciation, which is a key feature of mid-level IOCG deposits such as Marimaca. The oxide mineralization is atacamite, but several other species have been noted in previous work. The Company will complete sampling of these surface zones.

At Cindy, the Company notes the presence of historic underground artisanal workings which mined high grade magnetite-chalcopyrite mineralization. Important features are the high magnetic susceptibility associated with the rocks containing chalcopyrite and the notable brecciation which, as described above, is a key feature of mid-level IOCG deposits (see photos at Figure 5).

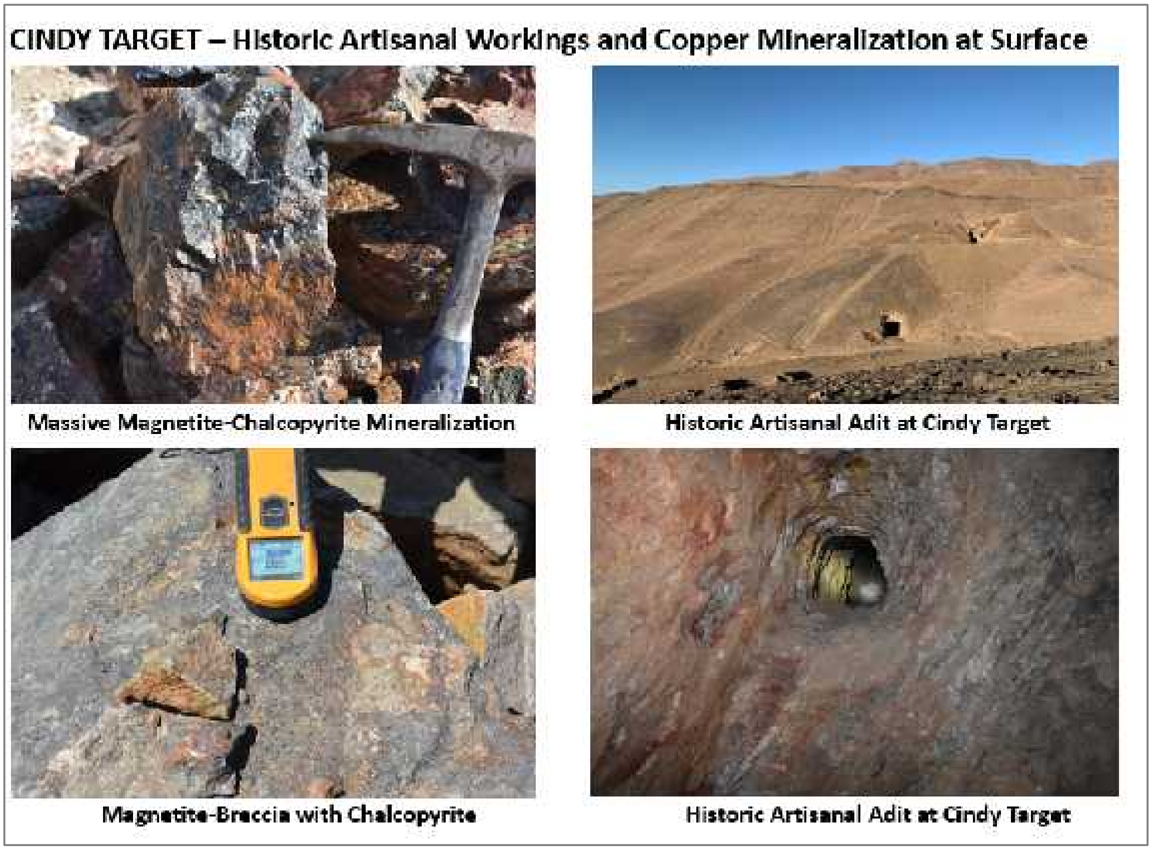

Figure 5: Cindy – Magnetite-Chalcopyrite Mineralization near Historical Artisanal Workings

Extended magnetic survey towards north and south: Mititus and Santos Areas

Because the attractive results from the District area, that revealing the existence of a potentially large new IOCG District, controlled by regional fault systems , the Company is now planning a further extension of the high-resolution drone mounted magnetic survey over the new claims, encompassing the Mititus and Santos project areas, to identify additional targets for follow-up exploration work. It is expected that these surveys will commence in late September or early October and take approximately four weeks to complete with results expected to be available before the end of 2020 (Figure 6).

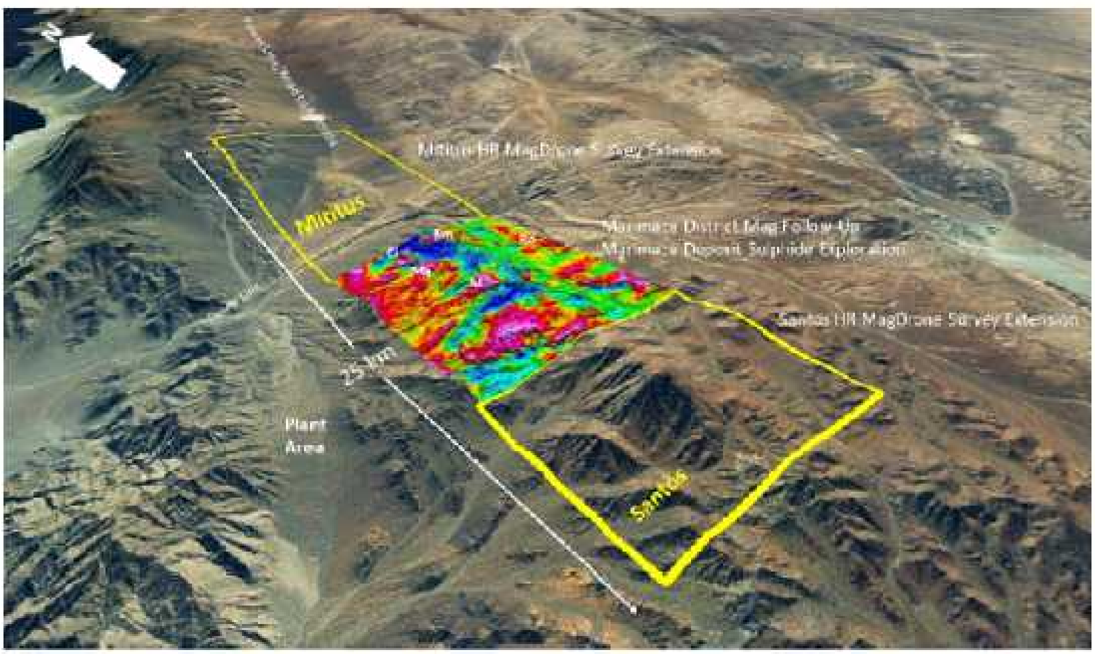

Figure 6: Extended Mag Drone Survey areas at t Mititus (north) and Santos (south) areas

Marimaca Development Plan

In late 2019 and early 2020, the Company engaged Gestion y Economía Minera Limitada ("GEM") to undertake a robust and thorough study to identify, evaluate and risk-adjust possible development plans for the Marimaca Project. After evaluating several possible development strategies, including small scaled and phased developments, the Company identified a stand-alone development scenario with a design capacity for up to 40,000 tonnes of copper cathode per annum as the design basis for a PEA on the Marimaca Project ***(please refer to the Company's press release dated 1 June 2020)***.

Metallurgical Testing

The Company announced the results of three phases of metallurgical test work, which were completed between April 2017 and March 2018 ***(please refer to the Company's press release dated 24 June 2020)***.

These tests have been carried out by Geomet S.A., a well-known Chilean laboratory with considerable experience in metallurgical programs for copper deposits in Chile. Phase 4 has been designed and executed under the supervision of Marcelo Jo of Jo & Loyola Process Consultants, who has 35 years' experience in processing. He is supported by Randolph E. Scheffel, a Consultant Metallurgical Engineer with over 45 years' experience in copper processing.

These tests were completed on materials obtained from Marimaca to characterise the metallurgical response of the deposit to different operational conditions. The first three phases were performed on a variety of parameters including agglomeration conditions, granulometry, column height, irrigation rates and acid consumption. These tests were followed up with more detailed analysis including bottle roll Iso-pH tests.

During the last quarter, the Company also announced the results of the fourth phase of metallurgical test work ***(please refer to the Company's press release dated 8 September 2020)*****.**

METALLURGICAL TESTING PHASE 4

The Phase 4 metallurgical test work program, which was commenced in September 2019, builds upon the results received in the Phase 1, 2 and 3 testing programs. This phase was designed to be broader in its coverage of the metallurgical response of Marimaca, providing significantly more detail with respect to certain mineralisation sub zones and addressing some aspects of variability across the deposit, and was designed and executed under the supervision of Marcelo Jo of Jo & Loyola Process Consultants, who has 35 years' experience in processing and supported by Randolph E. Scheffel, a Consultant Metallurgical Engineer with over 45 years' experience in copper processing.

Material from 15 composite samples, taken from across the Marimaca deposit, were subjected to a 30cm column leach tests to identify total recovered copper and total acid consumption. Several different testing parameters were used including agglomerating with and without NaCl. The results were very favorable, indicating strong recoveries and relatively fast leach kinetics across all samples, relative to the acid soluble copper ratios for the samples. Virtually all samples recoveries exceeded the acid solubility ratios for the samples, in the case of the mixed mineral sub-zone, quite materially.

Of particular note, numerous samples from the brochantite, chrysocolla and WAD zones observed total copper recoveries in excess of the calculated leaching potential of the samples. This is due to black oxides in these zones, which are acid soluble but have slower leach kinetics and, therefore, are not detected in the acid soluble copper test.

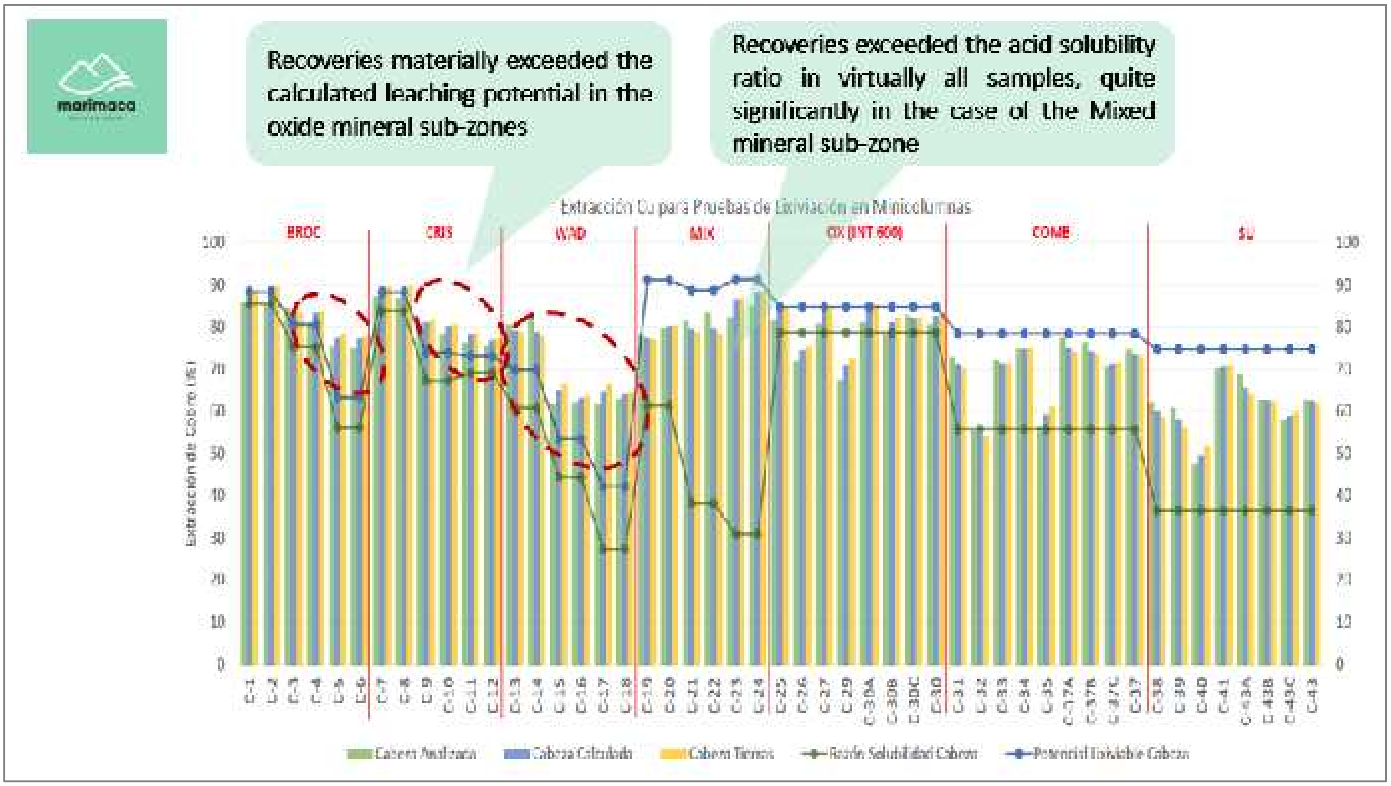

Figure 7: Summary of Total Copper Recoveries Vs Acid Soluble Copper Vs Leaching Potential in 0.3m Column Tests

In addition, a total of four 1.5m columns were completed on three composite samples taken from a variety of areas across the Marimaca deposit.

Again, the results were favorable, with relatively fast leach kinetics and three of the four columns achieving total copper recoveries in excess of 70% within 60 days. One sample, which comprised primarily oxides, which are the dominant copper bearing mineral species in the deposit, reached recoveries in excess of 80% within approximately 40 days.

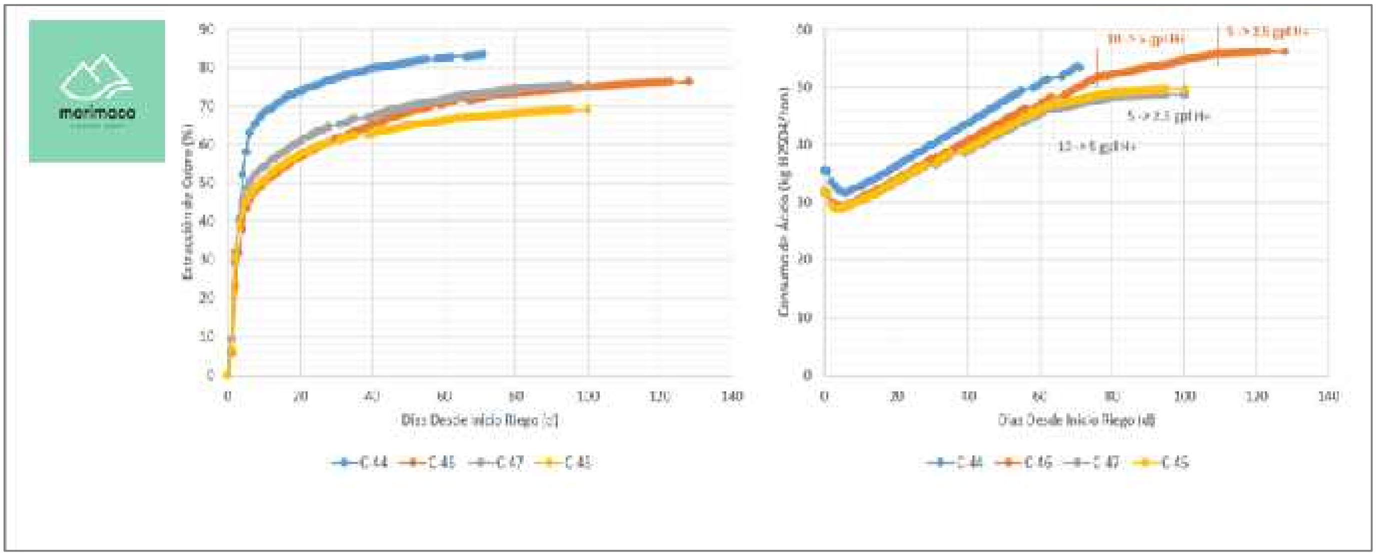

Figure 8: Copper Recovery and Acid Consumption Curves in 1.5m Column Tests

As a summary, the overall metallurgical recovery estimated for the 2018 DFS was improved from 65% of total copper, on average, up to 76% of total copper based on the results of the Phase 4 program. This can be explained by considering the sequential copper analysis and the contribution of each copper fraction on the overall recovery which was considered in the last study.

A fifth phase will be undertaken to refine any remaining areas of potential risk or opportunities in information and knowledge of the Project. This will likely include optimisation of both acid consumption and recoveries, as well as addressing variability across the deposit, and providing information for the completion of a Pre-Feasibility or Feasibility Study. Among the various conditions that will be studied include: feed particle size, leaching conditions, acid tenor and leaching solution distribution strategy.

5 Financial Position Review

At the beginning of 2020, the Company had cash and cash equivalents of $9.9 million and during the nine months ended September 30, 2020, the Company used its available cash and drawdowns under a working capital facility to pay $7.5 million in property acquisition costs (including the initial $6.0 million payment for the 1-23 Claims and $1.5 million in other option agreement payments) and $1.7 million in exploration and evaluation costs. The Company used $3.4 million in cash from operating activities to fund $1.4 million in care and maintenance costs, $1.3 million for general exploration expenses, and a scout drilling program, with the remainder being used for general and administrative expenses.

As at September 30, 2020, the Company had cash of $2.7 million, total assets of $56.8 million, total liabilities of $18.9 million, shareholders' equity of $37.9 million, current assets of $3.2 million and current liabilities of $11.4 million.

On March 5, 2020, the Company signed a working capital facility with GSII and Tembo Capital Mining Fund II LP ("Tembo II"), both shareholders of the Company, for a twelve-month $6.0 million loan facility to cover working capital and general operating costs. The total of $6.0 million was drawn under the facility during the nine months ended September 30, 2020.

On February 14, 2020, the Company completed the acquisition of the remaining 49% interest in the 1-23 Claims, resulting in a 100% ownership over the 1-23 Claims which are core to the Marimaca Project. Under the terms of the transaction, the Company made an initial $6.0 million cash payment with two future instalment payments of $3.0 million each, due on the second and third anniversary of the closing of the transaction, respectively.

In Q1 2020, the Company focused its exploration activities primarily on the Marimaca Project but had to suspend all field work on March 17, 2020 due to COVID-19 measures taken by the Company. In the nine months ended September 30, 2020, the Company paid a total of $1.5 million under various property options agreements – Olimpo & Cedro (Ex-naguayan), Atahualpa, and La Atómica – and paid the initial $6 million as part of the 1-23 Claim acquisition transaction.

On April 21, 2020, the Company granted a total of 440,000 stock options to directors and a consultant having a weighted average exercise price of C$1.25 and for a 5-year term. The fair value of the stock options granted was C$0.4 million, calculated using the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted: stock price C$1.25; exercise price C$1.25; 5 years expected life; 99% volatility, and a 1% risk-free interest rate. The stock options will vest over three years as follows: 1/3 on the date of grant and 1/3 on the first and second anniversaries of the date of grant.

On May 27, 2020, the Company completed a share consolidation of its share capital on the basis of twenty-five (25) pre-consolidation shares for one (1) post-consolidation share (the "Consolidation"). As a result of the Consolidation, the 1,608,946,194 common shares issued and outstanding as at the date of the consolidation were consolidated into 64,357,847 common shares. All references to the number of shares, options and per share amounts presented have been retroactively restated to reflect the Consolidation (post-consolidation basis).

On June 30, 2020, the total outstanding principal of $12.0 million under the SCM Berta Facility Agreement ("SCMB Loan Conversion") was converted into a 75% interest in RSC.

On June 30, 2020, the Company signed the Joint Venture and Shareholder Agreement ("JV Agreement") along GSII and RSC outlining the details of the conversion and whereby the Company agreed to manage and take charge of the financial and operating decisions of RSC, without having joint control of the entity. Consequently, as of June 30, 2020, the Company retained significant influence in but lost control of its subsidiary RSC and as of the same date, it deconsolidated RSC's assets and liabilities from the Company's consolidated financial statements ("RSC Deconsolidation") and recorded its remaining 25% interest in RSC as an investment in associate at cost, with subsequent measurement under the equity method of accounting.

On September 25, 2020, the Company granted a total of 2,150,000 stock options to directors, executive officers and a consultant having a weighted average exercise price of C$3.2 and for a 5-year term. The fair value of the stock options granted was C$4.9 million, calculated using the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted: stock price C$3.19; exercise price C$3.2; 5 years expected life; 94% volatility, and a 1% risk-free interest rate. The stock options will vest over three years as follows: 1/3 on the date of grant and 1/3 on the first and second anniversaries of the date of grant.

In September 2020, and considering that most of the lockdown was suspended in Chile, the Company decided to advance explorations activities that were originally scheduled for 2021 and restarted its exploration program on the MOD and on the Naguayan sulphide belt with a total budget of approximately $1.3 million which is expected to be incurred in Q4 2020.

Working Capital

As at September 30, 2020, the Company's working capital deficiency was $8.3 million (December 31, 2019: working capital deficiency of $10.6 million). The main reason for the improvement of the Company's working capital position is the deconsolidation of assets and liabilities of RSC from the Company's financial statements resulting from the SCMB Loan Conversion and RSC Deconsolidation.

As at September 30, 2020, accounts receivable decreased to $0.4 million compared to $0.6 million as at December 31, 2019, mainly due the deconsolidation of a bond receivable in RSC of $0.3 million.

The current portion of other debt decreased by $9.2 million from $18.5 million to $9.3 million mainly due to the reduction of liabilities from the conversion of $12.0 million in outstanding principal and the deconsolidation of approximately $7.9 million related to RSC and SCM Berta, partially offset by increases from the $6.0 million drawn under the Marimaca Copper WC Facility *(See the Shareholder Loans and Other Debt Section below)*, the recognition of the fair value of the second instalment payment associated with the 49% acquisition of the 1-23 Claims of $2.7 million and $0.4 million in interest, arrangement fees and accretion of debt.

Long-Lived Assets

Long-lived assets consist of non-current accounts receivable, PP&E and E&E assets. VAT receivable decreased to $nil as of June 30, 2020 from $2.1 reported as December 31, 2019 due to the deconsolidation of RSC assets from the Company's consolidated financial statements.

PP&E assets decreased by $5.1 million from $16.3 million reported as of December 31, 2019 to $11.2 million as of September 30, 2020 mainly driven by the deconsolidation of the Nora Plant for $4.6 million as of June 30, 2020.

E&E assets increased by $13.5 million to $42.5 million as at September 30, 2020 from $29.0 million as at December 31, 2019. The increase is attributable to the capitalization of 1-23 Claim's expenses of $12.6 million of which $11.1 million are related to the acquisition of the 49% interest in the 1-23 Claims and $1.6 million are related to exploration activities. Option payments of $1.5 million were capitalized as follows: (i) $0.2 million for Atahualpa; (ii) $0.7 million for Olimpo and Cedro (i.e. Naguayan); (iii) $0.5 million for La Atomica; (iv) $0.05 Llanos and Mercedes; and (iv) $0.02 million associated with exploration activities on these properties.

Total assets as at September 30, 2020 were $56.8 million (December 31, 2019: $58.1 million).

Liabilities

($ 000´s)	MARIMACA (Chile) Sept 30, 2020	CORPORATE (Canada) Sept 30, 2020	TOTAL CONSOLIDATED Sept 30, 2020	TOTAL CONSOLIDATED December 31, 2019
Current				
Accounts payable and accrued liabilities	1,866	291	2,157	1,716
Greenstone and other shareholder loans	-	6,372	6,372	17,996
Propipe instalment	-	-	-	478
1-23 Claims acquisition	2,879	-	2,879	-
Lease	7	-	7	70
Restoration provisions	-	-	-	960
Total current liabilities	**4,752**	**6,663**	**11,415**	**21,220**
Non-current				
1-23 Claims acquisition	2,581	-	2,581	-
Restoration provisions	4,927	-	4,927	5,314
Total non-current	**7,508**	**-**	**7,508**	**5,314**
Total liabilities	**12,260**	**6,663**	**18,923**	**26,534**

Table 6: Liabilities

Current liabilities decreased by $8.8 million from $21.2 million to $12.4 million mainly due to a combination of an increase of $6.0 million in drawdowns under the Marimaca Copper WC Facility *(See the Shareholder Loans and Other Debt Section below)*, the recognition of the fair value of the second instalment payment associated with the 49% acquisition of the 1-23 Claims of $2.7 million and $0.4 million in interest, arrangement fees and accretion of debt, followed by decreases of $12.0 million related to the conversion of the total outstanding principal of the SCM Berta Facility into 75% of the Company's common shares of RSC and the deconsolidation of $7.9 million in debt from RSC and $0.1 million in other payments.

Non-current liabilities increased by $1.2 million from $5.3 million at December 31, 2019 to $6.5 million at September 30, 2020 with the change related to a combination of an increase of $2.4 million for the non-current portion of the unpaid acquisition costs for the 1-23 Claims mentioned above and a decrease related to the deconsolidation of Nora Plant's retirement obligation provision of $1.4 million.

Total liabilities as at September 30, 2020 were $18.9 million (December 31, 2019: $26.5 million).

Marimaca Shareholder Loans and Other Debts

Loans are an important part in the capital structure of the business, and they are a critical financial tool to provide certainty to the business. The following are the existing shareholder loans and other debt outstanding as at September 30, 2020:

Marimaca Copper WC Facility

On March 5, 2020, the Company signed a non-revolving unsecured working capital facility with GSII and Tembo II for a twelve-month $6.0 million loan to cover working capital and general operating costs (the "Marimaca WC Facility"). The Marimaca WC Facility has a fixed annual interest rate of 12% compounded quarterly and a 3% arrangement fee on the aggregate of principal amounts drawn, both of which are payable at maturity. The maturity date is March 25, 2021.

As of September 30, 2020, the Company owed $6.0 million in principal, $0.2 million in accrued interest and $0.2 million in arrangement fees.

Marimaca 1 -23 Claims Acquisition debt

On February 14, 2020, the Company acquired the remaining 49% interest into 1-23 Claims for a total cash payment of $12.0 million. The sellers agreed to transfer their 49% interest in the 1-23 Claims on the execution date of the definitive agreement. The Company paid the initial $6.0 million upon execution of the definitive agreement and recorded the fair value of the remaining two instalments as a liability.

The fair value of the future instalments was estimated to be $5.1 million using an annual discount rate of 12% for two years. As at September 30, 2020, included under current portion of other debt is $2.8 million in principal and accumulated interest related to the second instalment and $2.5 million in principal and interest is included under non-current portion of other debt. The carrying value of the loan is $5.5 million as at September 30, 2020.

SCM Berta Facility

As of June 30, 2020, upon GSII converting its outstanding principal of $12.0 million under the Convertible Facility Agreement into 75% of the common shares in RSC, with the Company retaining the remaining 25% interest. The Company deconsolidated the associated accrued interest of $4.2 million on the conversion of the loan.

SCM Berta WC Loan

As of June 30, 2020, upon the GSII conversion, the Company deconsolidated the total debt and accrued interest from its $10.0 million secured loan facility of which $2.0 million in capital plus $1.3 million in accrued interest were outstanding as of 30 June 2020.

ProPipe instalment

This relates to the buyout of the minority shareholders of SCM Berta in 2018. As of June 30, 2020, the amortized loan balance of $0.4 million including interest of $0.1 million was deconsolidated from the Company's consolidated financial statements.

Restoration Provision

The Company's restoration provision is associated with its Nora and Ivan Plants, both of which were on care and maintenance until September 30, 2020. As of June 30, 2020, $1.4 million related to the Nora Plant was deconsolidated with the remaining restoration provision of $4.9 million related to the Ivan Plant.

In calculating the present value of the restoration provisions as at September 30, 2020, management used risk-free rates between 1.6%-1.95% and inflation rates between 2.02%-2.12%. The undiscounted cash flows, before inflation adjustments, estimated to settle the restoration provisions are approximately equal to the discounted cash flows. No changes to the retirement plans were identified to reflect the impact of COVID-19, but the Company will continue to closely monitor future inflation rates and other variables which may result in adjustments to the carrying value of the restoration provisions.

Liquidity and Going Concern

The unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business. For the nine months ended September 30, 2020, the Company reported net income of $4.9 million (September 30, 2019 – net loss of $11.1 million) and cash outflows from operating activities of $3.5 million (September 30, 2019 - $8.4 million). As at September 30, 2020, the Company had a working capital deficit of $9.3 million (December 31, 2019 – $10.6 million) and an accumulated deficit of $115.4 million (December 31, 2019 - $120.3 million). The Company's mineral property assets are not expected to generate any cash from operations for at least the next twelve months. Accordingly, the Company's financial condition gives rise to a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

In assessing whether the going concern assumption is appropriate, management takes into account all available information about the foreseeable future, which is at least, but not limited, to twelve months from the end of the reporting period. The Company's ability to continue operations, fund its exploration expenditures on the Marimaca Project and meet its obligations as they fall due is dependent on several factors, including but not limited to its ability to secure additional financing. The Company continuously assesses the effects of COVID-19 in its current and future plans and makes changes according to the latest financial and health authorities' news. There can be no assurance that the Company will be successful in raising additional financing.

As of September 30, 2020, the Company has not identified any impairment indicators for any of its remaining long-lived assets.

The Company expects that cash on hand and funds that are available under its loan arrangements will allow the Company to continue its normal operations and fulfil its short and medium-term financial liabilities.

Shareholders' Equity

	June 30, 2020	December 31, 2019
Common shares outstanding *(000's)*	64,357,847	64,357,847
Options outstanding *(000's)*	4,161,471	1,615,750
Weighted average exercise price	CA$2.30	CA$2.73
Market capitalization *(in millions)*	C$210.5	CA$112.6
Closing share price	C$3.27	CA$1.75

Table 7: Equity

On May 27, 2020, the Company changed its name from Coro Mining Corp. to Marimaca Copper Corp. and completed a share consolidation on the basis of one (1) post-consolidated share for every twenty-five (25) pre-consolidation common shares held. All references to the number of shares, options and per share amounts presented have been retroactively restated to reflect the Consolidation (post-consolidation basis).

The Company's common shares are traded on the TSX under the symbol 'MARI".

Commitments and Option Payments

The following table shows the contractual obligations of the Company including property options payments as at June 30, 2020.

Property option payments (in millions)	2020	2021	2022-2023	TOTAL
La Atómica ($m)	1.0	3.7	-	**4.7**
Atahualpa ($m)		0.2	1.6	**1.8**
Olimpo & Cedro ($m)	-	1.8	3.6	**5.4**
Llanos y Mercedes ($m)	-	0.2	1.7	**1.9**
Akicy & Emilia ($m)	-	0.2	0.8	**1.0**
Total property option payments ($m)	**1.0**	**6.1**	**7.6**	**14.8**

Table 8: Contractual Obligations and Option Payments

Option Agreements

Marimaca 1-23 Claims

As previously mentioned above, the Company committed to pay $6.0 million in future instalments as part of the acquisition of the remaining 49% interest in the 1-23 Claims, resulting in the Company having a 100% ownership interest. Payments of $3.0 million each are due on the 20-month and 24-month anniversary of the closing of the transaction.

La Atómica Claims

Under the terms of the August 2017 La Atómica Letter of Intent ("LOI") (Option Agreement signed October 2017), the Company may acquire 100% of the La Atómica property by paying a total of $6.0 million as follows: $0.6 million (paid); $1.0 million (paid) on the 24-month anniversary date; and $4.4 million on the 36-month anniversary date. A 1.5% NSR is payable on the claims, with the Company retaining an option to purchase 0.5% out of the 1.5% NSR for $2 million at any time.

In June 2020, the Company modified the Option Agreement to split into three tranches the $4.4 million payment due on the 36-month anniversary payable as follows: (i) $1.0 on the 36-month anniversary of the original agreement; (ii) $1.1 million on the 41-month anniversary, and (iii) $2.6 million on the 47-month anniversary. The last two installments include $0.3 million interest calculated at a monthly rate of 0.9%.

Atahualpa Claims

Under the terms of a January 2018 LOI, the Company acquired 100% of the claims of Atahualpa, Tarso and Sorpresa immediately adjoining its Marimaca property for a total cash consideration of $6.0 million (paid). A 2% NSR is payable on the claims under the original option agreement.

On February 1, 2019, the Company entered into an option agreement to purchase the outstanding 2% NSR for $2.2 million. The amount is payable in four tranches over 36 months as follows: $0.2 million upon closing (paid); $0.2 million on the 12-month anniversary of closing (paid); $0.2 million on the 24-month anniversary of closing; and $1.6 million on the 36-month anniversary of closing.

Olimpo and Cedro (Formerly called Naguayan)

Under the terms of a January 2018 option agreement, the Company may acquire 100% of the Olimpo & Cedro properties for a total cash consideration of $6.5 million: $0.2 million upon signing (paid in 2018); $0.3 million on the 12-month anniversary date (paid in January 2019); $0.7 million on the 24-month anniversary date (paid); $1.75 million on the 36 month anniversary date; and $3.55 million on the 48-month anniversary date. A 1.5% NSR is payable, with the Company retaining an option to purchase 0.5% of the 1.5% NSR for $2 million within the first 12 months following the start of commercial production on the property. As these claims are not adjacent to the known mineralization, only acquisition costs are capitalized at this time.

In May 2020, the Company modified the Option Agreement to split into three tranches the $1.75 million payment due on the 36-month anniversary payable as follows: (i) $0.6 on the 36-month anniversary of the original agreement; (ii) $0.2 million on the 38-month anniversary, and (iii) $1.1 million on the 48-month anniversary. The last installments include $0.1 million interest calculated at a monthly rate of 0.9%.

Llanos and Mercedes

Under the terms of a May 2019 option agreement, the Company may acquire the Llanos and Mercedes properties for a total consideration of $2.0 million payable as follows: $0.05 million upon signing (paid in May 2019); $0.05 million on the 16-month anniversary (paid); $0.1 million on the 24-month anniversary; $0.125 million on the 30-month anniversary; $0.125 million on the 36-month anniversary; $0.15 million on the 42-month anniversary, and $1.4 million on the 48-month anniversary. These claims are subject to a 1% NSR with a buyback option for the NSR for $0.5 million exercisable up to 24 months from the start of commercial production. As these claims are not located adjacent to the known mineralization, only acquisition costs are capitalized at this time.

On April 17, 2020 The Company amended the original option agreement to extend the payment due on the 12-month anniversary of the agreement to 16-month anniversary. The other terms and provisions included in the original agreement will remain unchanged.

Akicy

Under the terms of a July 2020 option agreement, the Company may acquire the Cincy 1-10 and Esperada 1-17 properties for a total consideration of $0.5 million payable as follows: $0.01 million upon signing (paid); $0.08 million on the 12-month anniversary; $0.11 million on the 24-month anniversary; and $0.3 million on the 36-month anniversary. These claims are subject to a 1.5% NSR with a buyback clause to buy a 0.5% NSR for $0.5 million exercisable at any time. As these claims are not located adjacent to the known mineralization, only acquisition costs have been capitalized.

Emilia

Under the terms of an August 2020 option agreement, the Company may acquire the Emilia 1-10 properties for a total consideration of $0.5 million payable as follows: $0.01 million upon signing (paid); $0.08 million on the 12-month anniversary; $0.11 million on the 24-month anniversary; and $0.3 million on the 36-month anniversary. These claims are subject to a 1.5% NSR with a buyback clause to buy a 0.5% NSR for $0.5 million exercisable at any time. As these claims are not located adjacent to the known mineralization, only acquisition costs have been capitalized.

6 Expenditure Review

Expenditures Summary ($000's)	Three months ended Sept 30		Nine months ended Sept 30	
	2020	2019	2020	2019
Expenses				
Exploration expenditures	166	1,160	1,261	3,792
Care and maintenance costs	207	789	1,357	3,312
Depreciation and amortization	54	35	139	108
Legal and filing fees	52	57	163	155
Other corporate costs	266	146	601	441
Salaries and management fees	149	180	478	649
Share-based payments expense	1,382	146	1,607	514
Operating loss	**2,276**	**2,513**	**5,606**	**8,971**
Finance expense	343	686	2,212	2,521
Foreign exchange loss (gain)	-69	62	40	-388
Gain on asset disposal	-	-	-12,688	-
Other expense	-	-	-79	-
Net Loss (gain) for the period	**2,550**	**3,261**	**(4,909)**	**11,104**
Items that may be subsequently reclassified to net income:				
Foreign currency translation adjustment	12	-1	97	2
Loss (gain) and comprehensive loss (gain) for the period	**2,562**	**3,260**	**(4,813)**	**11,106**

Table 9: Expenditures Summary

Nine months ended September 30, 2020 compared to the nine months ended September 30, 2019

For the nine months ended September 30, 2020, the Company's net loss decreased by $16.0 million from a net loss of $11.1 million in 2019 to net income of $4.9 million in 2020, the decrease is mainly driven by the recognition of a gain on asset disposal of $12.7 million, the reduction of $2.5 million in exploration expenditures and $2.0 million in care and maintenance expenses compared to the nine months ended September 30, 2019.

The improved results arise from a combination of the gain on the disposition of the Company's 75% interest in RSC upon the conversion of the outstanding principal balance of $12.0 million under the SCM Berta Facility and the reduction in exploration expenses. In 2019, the Company had a major drilling program in the Marimaca District area and in 2020 the Company reduced all its on-ground exploration activities due to COVID-19. Care and maintenance expenses in 2020 are related to Nora and Ivan plant, $0.4 million and $1.0 million, respectively. In 2019, the Company had expenses related to Nora and the Berta Mine closure with the majority related to workforce severance payments and dismantling costs.

In 2020, finance fees of $2.2 million are mainly related to interest, arrangement fees and accretion of the Company's loan facilities. As of June 30, 2020, the Company deconsolidated $7.9 million in loans related to RSC liabilities.

For the nine months ended September 30, 2020, total share-based compensation expense was $1.6 million (Nine month ended September 30, 2019 - $0.5 million).

Three months ended September 30, 2020 compared to the three months ended September 30, 2019

For the three months ended September 30, 2020, the Company net loss decreased by $0.7 million from a net loss of $3.3 million in Q3 2019 to $2.6 million in Q3 2020, the decrease in loss is mainly driven by the reduction of $1.0 million in exploration expenditures; $0.5 million in care and maintenance and $0.3 million in lower financial expenses which were partially offset by $1.2 million higher Share-based payments expenses compared to the three months ended September 30, 2019.

In 2019, the Company had a major drilling program in the Marimaca District area and in 2020 the Company reduced all its on-ground exploration activities due to COVID-19. Care and maintenance expenses in 2020 are related to the Ivan plant of $0.2 million. In 2019, the Company had expenses related to Nora and the Berta Mine closure with the majority related to workforce severance payments and dismantling costs.

For the three months ended September 30, 2020, total share-based compensation expense was $1.4 million (Three month ended September 30, 2019 - $0.1 million).

$'000s	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Cash and equivalents	14,496	15,648	4,827	12,865	9,865	2,169	2,077	2,784
Other debt	19,694	20,367	17,563	18,264	18,474	24,018	7,011	9,258
Gain on asset disposal	-	-	-	-	-	-	(12,688)	-
Foreign exchange loss	667	(366)	(84)	62	198	363	(254)	(69)
Operating loss	9,068	3,553	2,905	2,513	1,635	1,904	1,426	2,276
Loss (gain) for the period	**10,580**	**3,832**	**4,011**	**3,261**	**3,440**	**2,978**	**(10,437)**	**2,550**
Net loss (gain) per-share	0.18	0.07	0.07	0.06	0.05	0.05	(0.17)	0.04
Net loss (gain) diluted per-share	0.18	0.07	0.07	0.05	0.05	0.05	(0.17)	0.04

Table 10: Quarterly Results

The main differences between the quarterly numbers in the table above relate to the Gain on asset disposal from RSC deconsolidation $12.7 million.

The variances in foreign exchange show the fluctuation of the US dollars vs the Chilean peso. In the first nine months of 2020, the US dollar had appreciated 5.3% against the Chilean peso, and during the last three months ended September 2020, the Chilean peso showed a revaluation of 4.0%.

The main variances in cash and equivalents are due to the Company selling the Berta mine in Q1 2019 and receiving $7.7 million in cash with the remaining $0.8 million being received in Q3 2019. In Q3 2019, the cash increase is mainly due to a $12.6 million private placement closed in September 2019.

In Q2 2020, the Company recognized $12.7 million associated with a gain on the disposal of a 75% interest in RSC's to GSII upon the conversion of the outstanding principal of $12.0 million under the SCM Berta Facility. The remaining 25% interest held by the Company was valued at nil using the equity method of accounting.

Related Party Disclosure

Key Management Personnel

The Company considers all key management personnel having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity as related parties.

	Three months ended, Sept 30,		Nine months ended, Sept 30,	
	2020	2019	2020	2019
Short-term employee benefits	217	248	671	922
Share-based payments	1,363	135	1,522	533
Total	**1,580**	**383**	**2,193**	**1,455**

Table 11: Related Party Costs

Marimaca Loans and Interest Paid to Related Parties

On June 30, 2020 GSII converted $12.0 million in outstanding principal on it convertible loan into a 75% interest in RSC.

On March 5, 2020, the Company signed a twelve-month loan agreement for $6.0 million with two of its major shareholders and drew down $6.0 million. As at September 30, 2020, included in the current portion of other debt, is an amount of $6.4 million due to shareholders that includes principal, interest and arrangement fees (September 30, 2019- $17.3 million).

7 Other Assets

Ivan Plant

Purchased in June 2017, the Ivan plant is not currently operational and is being kept on care and maintenance. In March 2020, the Company submitted an Environmental Impact Declaration (“DIA”) to renew its environmental and operating permits. Currently, the updating of the environmental evaluation process has been continued, waiting to receive the Environmental Qualification Resolution in Q1 2021.

The DIA for the regularization and optimization of the Iván Plant was presented in March 2020. The expectations are to receive the Environmental Qualification Resolution (RCA) in Q1 2021. Subsequently, the operational sector permits must be processed at Sernageomin, which will end with the approval of the Closure Plan towards the end of Q4 2021 or Q1 2022. This will require the company to advance the first installment of the financial guarantee of the Closure Plan in Q4 2022, which according to current laws, can be provided through an insurance policy.

Sierra Medina

Sierra Medina comprises a 14,505-hectare claim located approximately 30 kilometres east of Marimaca, in the former Sierra Valenzuela copper district. Between 2011 and 2013, Minera Rayrock explored and discovered a volcanic-hosted manto-type copper deposit. The deposit is blind with mineralization starting at 50 m to 100 m below surface. Copper mineralization, grading close to 1% Cu, consists of both copper oxide and sulphides. The deposit is still open at depth and there are other copper prospects identified but not yet explored within the claim area. As part of the transaction to acquire the remaining 49% interest in the 1-23 Claims, the Company agreed to sell 144 hectares from the Sierra Medina claims that contained drilling information from the work that had been previously done by Minera Rayrock.

8 Outstanding Share Data Authorized and Issued

As at November 13, 2020, the number of common shares outstanding or issuable pursuant to other outstanding securities is as follows:

Common Shares	Number
Outstanding	64,357,847
Stock Options[1]	4,161,471
Total	**68,519,318**

[1]These stock options have a weighted average price of $2.58 per stock options and weighted average remaining life in years of 3.72 years.

On May 27, 2020, the Company completed a share consolidation of its common shares (the "Shares") on the basis of one (1) post-consolidated Share for every twenty-five (25) pre-consolidation Shares held (the "Consolidation").

Options

On April 21, 2020, the Company granted a total of 440,000 (2019 - 448,000) stock options with an average exercise price of C$1.25 (2019 -C$1.7) for a period of 5 years. The fair value of the options was $0.4 million (2019 - $0.5 million). The options vest in three tranches, being 1/3 on the date of grant and 1/3 on the first and second anniversaries of the date of grant. The options were valued based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted: stock price $1.25, exercise price $1.25, 5 years expected term, 99% volatility, and a 1% risk free interest.

On September 25, 2020, the Company granted a total of 2,150,000 stock options to certain directors, executive officers and a consultant with an average exercise price of C$3.2 for a period of 5 years. The fair value of the options was $4.9 million. The options will vest in three tranches, being 1/3 on the date of grant and 1/3 on the first and second anniversary of the date grant.

9 Risks, Disclosure & Policies

For a full version of the critical accounting estimates and policies reference should be made to the Company's audited financial statements for the year ended December 31, 2019, which are available on the Company's website at www.marimaca.com. In addition, reference should be made to the most recently filed Annual Information Form available on SEDAR at www.sedar.com.

Internal Control over Financial Reporting and Disclosure Controls

Disclosure controls and procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and include controls and procedures designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There have been no changes in the Company's disclosure controls and procedures during the quarter ended September 30, 2020.

Internal controls over financial reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is also responsible for the design of the Company's internal control over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Company's internal controls over financial reporting include policies and procedures that: pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and disposition of assets; provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with IFRS and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the financial statements.

Because of their inherent limitations, internal controls over financial reporting can provide only reasonable assurance and may not prevent or detect misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

There have been no changes in our internal controls over financial reporting during the quarter ended September 30, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Forward Looking Statements

Certain of the statements made and information contained or incorporated by reference herein is "forward-looking information" within the meaning of applicable Canadian securities laws. All statements other than statements of historical facts in this document constitute forward-looking information based on current expectations, estimates, forecasts and projections as well as beliefs and assumptions made by the Company's management. Such forward-looking statements include but are not limited to those regarding the Company's outlook and guidance on estimated metal production (or production profile), costs and capital expenditures, exploration and Mineral Reserve and Mineral Resource estimates. Words such as "aim", "anticipate", "assumption", "belief", "believe" "estimate", "expected", "exploration", "exposure", "focus", "forecast", "future", "growth", "guidance", "intends", "opportunities", "outlook", "path", "phase", "plan", "possible", "potential", "program", "progress", "project", "risk", "sensitivity", "schedule", "stage", "strategic", "target" or "trend", or variations of or similar such terms, or statements that certain actions, events or results could, may, might or will be taken or occur or be achieved, identify forward-looking information. Although the Company believes that the expectations reflected in the forward-looking information herein are reasonable, these statements by their nature involve risks and uncertainties and are not guarantees of future performance. These estimates, expectations and other forward-looking statements are based on a number of assumptions and are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements. Such risks and uncertainties include, without limitation, risks and uncertainties inherent in and relating to estimates of future production and operations, cash and all-in sustaining costs; metal and commodity price fluctuations; foreign currency fluctuations; mining operations including but not limited to environmental hazards, industrial accidents, ground control problems and flooding; geology including, but not limited to, unusual or unexpected geological formations and events (including but not limited to rock slides and falls of ground), estimation and modelling of grade, tonnes, metallurgy continuity of mineral deposits, dilution, and Mineral Resources and Mineral Reserves, and actual ore mined or metal recoveries varying from such estimates; mine life and life-of-mine plans and estimates; the possibility that future exploration, development or mining results will not be consistent with expectations; the potential for and effects of labour actions, disputes or shortages, community or other civil protests or demonstrations or other unanticipated difficulties with or interruptions to operations; potential for unexpected costs and expenses including, without limitation, for mine closure and reclamation at current and historical operations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain and maintain necessary governmental approvals and permits; regulatory investigations, enforcement, sanctions or related or other litigation; and other risks and uncertainties, including but not limited to those described in the "Risks Factors" section of the Company's most recently filed Annual information Form. Also, in addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management; assumed prices of copper, that the Company can access financing, appropriate equipment and sufficient labour; and that the political environment where the Company operates will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Accordingly, there can be no assurance that forward-looking information will prove to be accurate, and readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise forward-looking statements or to explain any material difference between such and subsequent actual events, except as require by applicable law.

NI 43-101 Compliance Requirements

Under National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), if an issuer disclosures in writing scientific or technical information about a mineral project on a property material to the issuer, the issuer must include in the written disclosure the name and the relationship to the issuer of the qualified person who: (a) prepared or supervised the preparation of the information that forms the basis for the written disclosure or (b) approved the written disclosure. For the purposes of this MD&A, Luis Albano Tondo, President and CEO of the Company, a mining engineer with more than 30 years of experience is the Qualified Person for the purposes of NI 43-101 has approved the written disclosure in this MD&A. This MD&A references a number of previous news releases in respect of disclosure of technical matters relating to mineral properties and reference should be made to these news releases to fully understand these references.

Government Laws, Regulation & Permitting

Mining and exploration activities of the Company are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Company believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

The operations of the Company will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Other Risks

Reference should be made to the Company's risk and critical accounting policies and practices section of the December 31, 2019, Management Discussion and Analysis for a complete discussion of the risk factors associated with Nature of Operations; NI 43-101 Compliance Requirements, Government Laws, Regulation & Permitting, Key Management and Competition; Title to Properties; Commodity Prices; Credit Risk, Interest Rate Risk, Liquidity Risk, Foreign Currency Risk; amongst other things.

Critical Accounting Policies

Reference should be made to the Company's risks and critical accounting policies and practices section of the December 31, 2019. Management Discussion and Analysis for a complete discussion on the critical accounting policies associated with estimates and use of judgement, New Accounting Pronouncements; amongst other things.

Other Information

Additional information regarding the Company is included in the Company's Annual Information Form ("AIF") which is filed with the Canadian securities regulators. A copy of the Company's AIF can be obtained on SEDAR. (www.sedar.com) or on the Company's website (www.marimaca.com).

Contact Information

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