marimaca
COPPER CORP.

TSX: MARI

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2020 and 2019

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Contents

This Management's Discussion and Analysis ("MD&A") of 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 May 27, 2020, and should be read in conjunction with Marimaca Copper's unaudited condensed interim financial statements and related notes as at and for the three ended March 31, 2020 and 2019. The unaudited condensed interim 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 Corp. (formerly Coro Mining Corp.) ("Marimaca Copper" or the "Company") is a Canadian publicly-listed exploration and development company focused on exploring and developing new sources of copper to supply an increasing global demand. The Company's shares are traded on the Toronto Stock Exchange ("TSX") under the symbol "MARI".

Our vision is to create significant value for our shareholders and stakeholders by realizing the full potential of our flagship Chilean asset, the Marimaca Copper Project ("Marimaca", the "Marimaca Project" or the "Project") in Chile's Antofagasta Region, which has the promise to become one of the most significant copper-oxide discoveries in recent years.

Marimaca is fast becoming recognised as one of the most significant copper discoveries in Chile in recent years. It represents a new type of deposit which challenges accepted exploration wisdom and may open up new frontiers for discoveries elsewhere in the country. Marimaca is hosted by intrusive rocks while the numerous manto deposits in the same region are hosted by volcanics.

With a lack of new copper exploration discoveries in Chile, the Marimaca Project is a high-profile development project, due to its location in the coastal belt at low elevation, close to Antofagasta and Mejillones. This prime location could enable its future development at a relatively modest capital investment. Marimaca would benefit from nearby existing infrastructure including roads, powerlines, ports, a sulphuric acid plant, a skilled workforce and water.

Impact of coronavirus ("COVID-19")

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. To date, this virus continues to spread around the world due to its highly contagious characteristics. Strict measurements have been taken by most of the world leaders and health authorities, economies have been adversely affected, principally financial markets and workforces. On March 17, 2020, the Company started implementing safety and economic measures due to this health and economic contingency caused by COVID-19 as recommended by local government and health authorities. The Company closed its corporate office and instructed all its employees to work from home and temporary suspended: (i) all its on-ground exploration activities that were carried out at the sites; and (ii) all visits to the sites. Health and safety plans were implemented. In the following weeks, the Company implemented certain cost reduction initiatives which included layoffs, suspensions and salary reductions and a complete expense restructuring.

As the COVID-19 pandemic impact continues to affect economies, financial markets and commodity prices, it is difficult for the Company to calculate the future impact of the pandemic on its operations, therefore the management has prepared these unaudited condensed interim consolidated financial statements in conformity with IFRS that requires management to make judgements, estimates, and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosures of contingent assets and contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant accounts that required estimates and judgement as the basis for determining the stated amounts include all the financial risks (credit, currency, interest and liquidity), assessment of going concern, exploration and evaluation assets, VAT collectability, decommission and restoration provision and share-based compensation for performance. With the recent development as a result of COVID-19, measures implemented to deal with the pandemic may have a significant impact on the Company. It is not possible to estimates these impacts with any certainty at the date of this MD&A. *(See Section 5 –Liquidity and Going Concern).*

2 Highlights

Corporate Highlights

- Release of an independent Mineral Resource Estimate on the Company's Marimaca Project which included 70 million tonnes of copper with an average grade of 0.60% (approximately 420Kt of contained copper) within the Measured & Indicated categories and 40 million tonnes of copper with an average grade of 0.52% (approximately 224Kt of contained copper) within the Inferred category, representing an increase of nearly 100% from the previous Mineral Resource Estimate dated May 22, 2018;
- Signed a definitive agreement to purchase a 49% interest in the Marimaca 1-23 claims ("1-23 Claims"), resulting in 100% ownership;
- Released scout drilling results from results from the larger Marimaca District, which confirmed the potential for near surface copper oxide mineralization both north and south from the Marimaca Project area;
- Completed a detailed trade-off study to understand the key development strategies available for the Marimaca Project, which identified an initial, stand alone, development option for Marimaca;
- Continued with a comprehensive metallurgical test work program for materials from Marimaca;
- Commenced a Preliminary Economic Assessment ("PEA") for Marimaca using the results from the trade-off study;
- Completed a change of name from Coro Mining Corp. to Marimaca Copper Corp. to reflect the alignment and focus on the development of the Marimaca Project; and
- Completed a share consolidation of 1:25.

Financial Highlights

- Reduced capital expenditures to minimum levels for non-Marimaca assets;
- Secured a $6.0 million loan facility to cover working capital and general operating costs;

3 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).

Figure 1: Marimaca Chile Map

Figure 2: Marimaca Regional Map

Chile is the world's largest producer of copper and has developed the infrastructure and regulatory environment, as well as, the technical and administrative support services, necessary to facilitate the smooth development of small, mid-size and large-scale copper mining operations. In recent years, the search for new copper resources has become more challenging geologically and geographically. Marimaca's location near to the cities of Mejillones, Antofagasta and the Pacific Ocean is one characteristic that makes it a unique opportunity.

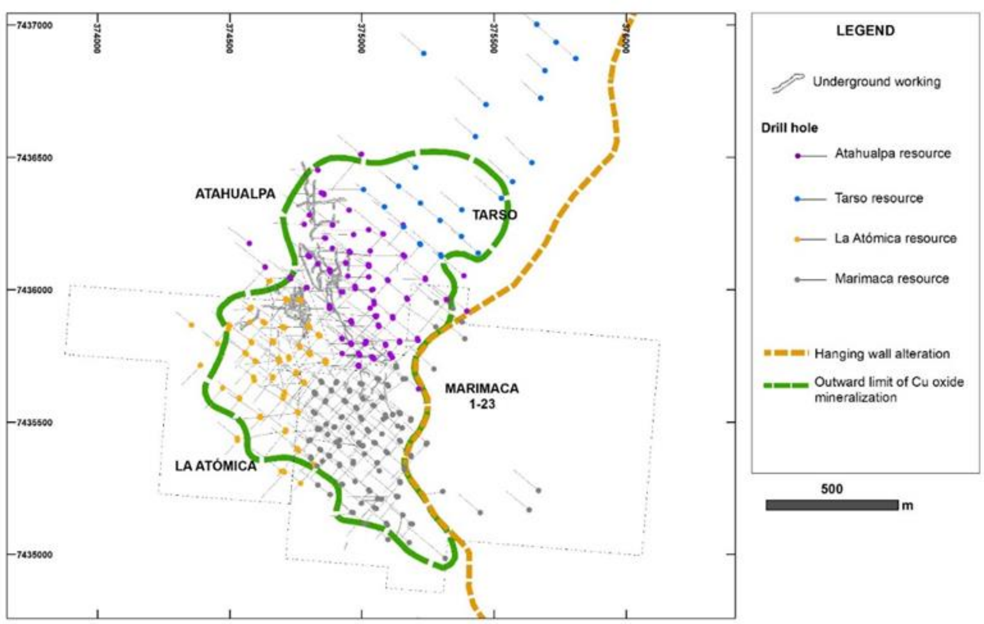
Marimaca Mineral Resource Estimate

From 2018 to 2019 the Company completed in excess of 52,000 metres ("m") of Reverse Circulation ("RC") drilling and a further 2,000 m of Diamond Drilling ("DD") with the objective of discovering and delineating the extensions of the original Marimaca deposit identified in previous programs. The original deposit was contained within the Marimaca 1-23 Claims boundaries. The current Project includes extensions towards the La Atomica, Atahualpa and Tarso group of mining concessions.

In December 2019, the Company released an independent National Instrument 43-101 ("NI 43-101") compliant Mineral Resource Estimate ("MRE") on the Marimaca Project which was prepared by NCL Ingeniería y Construcción SpA ("NCL") and has an effective date of January 15, 2020. The MRE was based on 346 RC holes and 39 DD holes for a total of 91,210 m of drilling which had been completed between 2016 and 2019.

The 91,210 m of drilling covered and area in excess of 20 km^2 and followed a grid spacing of 100 m to 50 m (See Figure 3).

Figure 3: Drill Hole Location from 2018 Drill Programme and Resource Delineation



Summarized results of the Mineral Resource Estimate are presented in Tables 1 and 2 below.

Table 1: Summarized Mineral Resource Estimate (using US$3.00/lb Cu)

Mineral Resource Category	Mineral (kt)	CuT (%)	CuS (%)	CuT (t)	CuS (t)
Total Measured	20,721	0.66	0.44	136,283	91,772
Total Indicated	49,666	0.57	0.37	283,654	183,741
Total Measured and Indicated	**70,387**	**0.60**	**0.39**	**419,937**	**275,513**
Total Inferred	**43,015**	**0.52**	**0.31**	**224,471**	**131,746**

CuT means total copper and CuS means acid soluble copper. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Technical and economic parameters include: 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 44°-46° pit slope angle.

Table 2: Mineral Resource Estimate Sensitivity to Varying Cut-Off Grades (using US$3.00/lb Cu)

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 (%)
0.60	9,071	1.00	0.66	17,657	0.92	0.58	26,727	0.95	0.61	12,182	0.90	0.48
0.50	11,397	0.91	0.61	23,285	0.83	0.53	34,682	0.85	0.56	16,926	0.80	0.44
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

CuT means total copper and CuS means acid soluble copper. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Technical and economic parameters include: 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 44°-46° pit slope angle.

To demonstrate reasonable prospects for eventual economic extraction, a series of Lerchs-Grossmann pit shell optimizations were completed by NCL, utilizing appropriate operating costs, recoveries obtained from metallurgical test work and a long-term copper price of US$3.00/lb. The MRE was estimated only for oxide, mixed, wad and enriched copper mineralization which can be processed by heap leaching and run of mine dump leaching producing copper cathode. Primary sulphide mineralization occurring in deeper parts of the deposit, which are within the constraining pit shell were not included in the MRE shown in the tables above. With the economic parameters stated above, NCL estimated the cut-off grade of the MRE to be approximately 0.22% with a strip ratio of 1.11:1.

Figures 4 and 5 below provide block model information related to the Mineral Resource Estimate.

Figure 4: Marimaca Block Model (Plan view, highlighting high-grade zones (980m elevation))

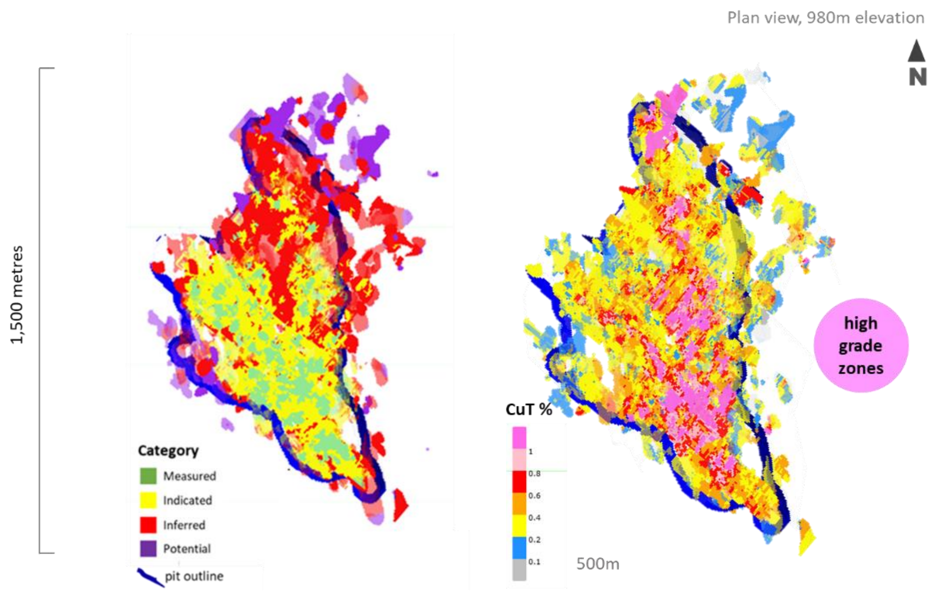
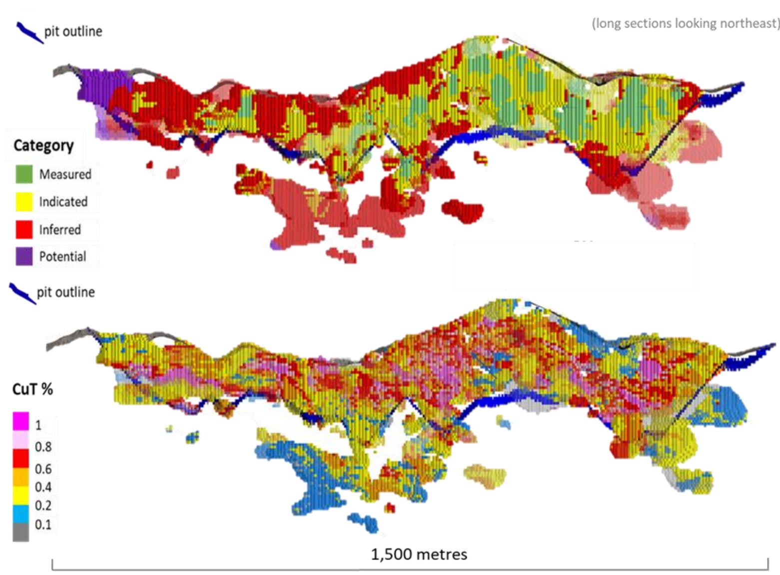


Figure 5: Marimaca Block Model (long sections, looking northeast)



Marimaca Development Plan

In late 2019 and early 2020, the Company undertook a robust and thorough study to identify, evaluate and risk-adjust possible development plans for the Marimaca Project. After evaluating several possible development strategies, and their associated risks, capital requirements and potential economics, the Company identified a stand-alone development scenario that is being used to complete a Preliminary Economic Assessment ("PEA") on the Marimaca Project. Along with this development strategy and the updated MRE, the PEA is currently underway, progressing well and is expected to be completed by mid 2020. However, given the current environment associated with COVID-19, the completion date of the PEA may be impacted by additional measures that may be required to be taken by the Company, its contractors and/or governmental initiatives and directives.

As the Company continues to progress the PEA, it is also undertaking some permitting activities, such as extending the existing baseline studies for the future industrial plant area, and started a number of easement process requirements to secure all the surface area that will be required for the future project construction and operation.

Marimaca (1-23 Claim) Acquisition

On February 14, 2020, the Company executed a definitive agreement to acquire the remaining 49% interest in the 1-23 Claims, resulting in a 100% ownership of these claims. The 1-23 Claims represent the core claims of the Marimaca Project. Under the terms of the definitive agreement, the Company agreed to pay $12.0 million in cash, payable in three instalments as follows: (i) $6.0 million upon signing of the definitive agreement; (ii) $3.0 million on the first anniversary; and (iii) $3.0 million on the second anniversary. The fair value of the $6.0 million in remaining payments was estimated to be $5.1 million using an annual discount rate of 12% for two years. Transactions costs were $0.03 million.

The sellers retained a 1.5% net smelter return royalty ("NSR") over the 1-23 Claims, with the Company retaining an option to buy-back 1% of the NSR for $4.0 million at any time up to 24 months following the commencement of commercial production from the 1-23 Claims and retains a right of first refusal over the NSR.

Also included in the transaction was an agreement to sell a set of mining claims knows as "SOR del 1 al 16" located in the Region II of Antofagasta.

The acquisition of the 1-23 Claims was classified as an asset acquisition, with the total acquisition costs allocated to the identifiable asset.

Marimaca Exploration for Sulphide Mineralization

Currently the Company's exploration team is refining its geological interpretation and model for the Marimaca Project, with a particular focus on the Project's sulphide potential below the known resource and in areas immediately surrounding the Project. This work includes reassessing historical drilling data, remapping and sampling and, most importantly, conducting geophysical campaigns including drone mounted magnetometry and a planned induced polarization survey, to assist with drill target identification. It is expected that these work streams will provide the Company with potential exploration targets for follow up drilling towards the end of 2020. During Q1 2020, the Company completed the HR MagDrone survey on the entire district area, has updated the geological model and is currently in the process of collating and synthesizing this information. Results of this work will be released in the coming weeks/months.

Marimaca (Scout Drilling) District Exploration

A preliminary scout drilling programme close to the Marimaca Project was completed during the latter part of 2019 and the results were released on February 24, 2020. The programme objective was to test several oxide targets within close proximity to both the north and south areas of the Project, which have the potential to add near surface tonnes to any future development plans. The programme included 31 RC drill holes targeting the identification of new near surface, oxide mineralised copper zones to the north and south of Marimaca. Drilling in both the north and south regions intercepted mineralisation confirming the potential for new oxide resources. 27 out of the 31 holes encountered zones of oxide copper mineralisation offering potential areas for follow up drilling. Several broad zones of copper mineralisation encountered grading above the economic cut-off grade used for the latest MRE at Marimaca.

The drilling results provided new information to re-plan and focus ongoing exploration for near surface oxide deposits in the surrounding area of the defined deposit. The Marimaca Hanging Wall Alteration zone, interpreted as representing the upper expression of the Marimaca style of mineralization at depth, has been identified extending over 10km across the Project area. In conclusion, the Marimaca Project remains open to the north and south and at depth with its exciting sulphide potential. Considerable exploration potential for Marimaca style oxide copper deposits exists within Marimaca Copper's extensive land package both adjacent to the current MRE at Marimaca, and more distant to it. As a result, any new satellite deposits to be found could represent additional mine life for the future project that is being defined by the PEA.

The following is a detailed description of the results in each area as shown in Figure 6:

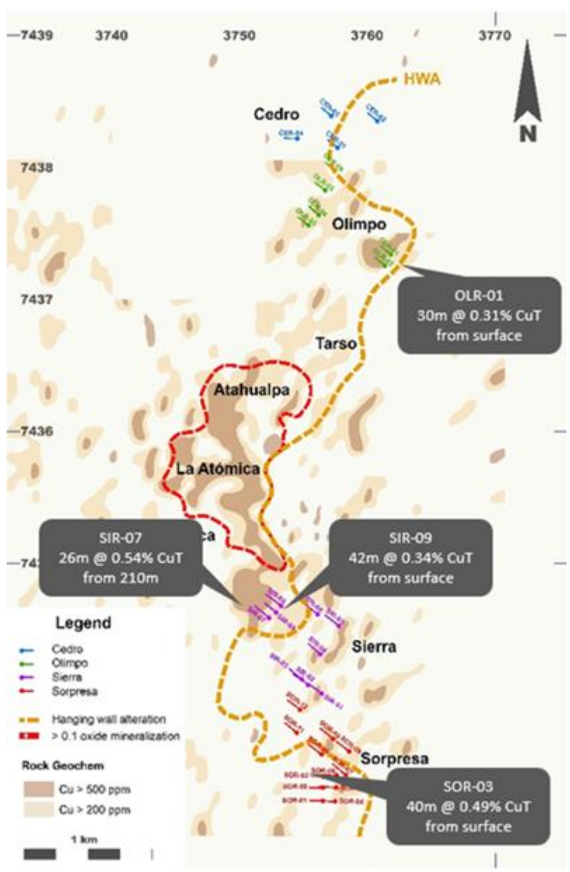
- At Sierra, 9 RC holes representing 2,350 m were completed with the best results obtained near old workings on the projected southeast extension of the Marimaca Project. Hole SIR-09 intersected 42 m grading 0.32% CuT in oxides while hole SIR-07 intersected 26 m grading 0.54% CuT in sulphide mineralization. These results confirm the potential southeastwards extension of the Marimaca Project into the Sierra area;
- At Sorpressa, 2.2km south of the Marimaca Project, 12 scout holes representing 2,900 m tested for Marimaca-style fracture-controlled mineralization which is well exposed in underground workings, as well as, targets defined by geologic outcrop mapping and rock geochemistry. The 6 holes near the underground workings intercepted 10 to 20 m sections of low-grade mineralization in the 0.2-0.3% CuT range with the highlight being 40 m grading 0.5% CuT in hole SOR-03. Again, these results confirm the potential southern extension of the Marimaca Project into the Sorpresa area;
- At the other Sorpresa targets, drilling intercepted 10 to 20 m grading 0.2% CuT with only RC hole SOR 10, intercepting a mineralized structure and returning 12 m grading 1.7% CuT. While this drilling failed to demonstrate the extension of the attractive mineralization encountered in the underground workings in

the southern part of the Sorpresa area, most holes over a one square km area intersected structurally controlled copper oxide mineralization, which may indicate potential for Marimaca style mineralization at depth.

- Approximately 3 km northeast of the Marimaca Project, 6 RC holes representing 1,220 m were drilled at Olimpo and 4 holes representing 800 m at Cedro. These scout holes tested targets characterised by a combination of favorable surface geological evidence, mostly northeast trending magnetite-rich structures bearing copper oxides, and rock geochemistry. All holes at Olimpo returned intercepts of 8 to 20 m of oxide mineralization averaging 0.1 to 0.2% CuT with the best intercept in hole OLR-1 collared near old shallow pits, which returned 30 m grading 0.31% CuT from surface. At Cedro, 2 holes encountered copper oxides in the 0.14 to 0.2% CuT range.

Based on a preliminary review of the data from the scout drilling programme, the results appear to demonstrate that within the HWA alteration zone there are many structures carrying copper mineralization which may be an expression of Marimaca-style mineralization at depth. This concept will be followed up with further surface exploration to generate targets for subsequent drilling.

Figure 6. Marimaca District Selected Oxide Scout Drilling Exploration Results



Exploration Program proposed for 2020

The Company is currently in the planning phase for future exploration programs which will consider all of the historical work completed at Marimaca to-date. The updated geological models, generated from the updated geological database post the completion of the recent exploration programs will focus on identifying additional Marimaca-style mineralized systems (IOCG type system) in the areas near Marimaca as well as potentially finding "Mantos Blancos" style deposits (manto type) on the southern extent of the tenement package.

The timeframe for any additional drilling campaign, either further infill drilling or exploration drilling, is dependent on receiving certain permits, mainly a Prospecting Environmental Impact Declaration (a DIA acronym in Spanish). The permitting process is underway and is expected to be concluded in late Q3 or early Q4.

Environment, Social and Governance ("ESG")

The Company is building its ESG credentials and strategies as a core part of its corporate strategies and anticipates communicating in more detail as it moves towards producing a PEA for Marimaca in the first half of 2020.

The Company has maintained a strong relationship with the authorities, 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 region level with mining companies. As a result of this joint work with the authority, the Marimaca Project has been incorporated into the official Chilean marketing documentation that is being distributed globally, and specifically at PDAC 2020, which highlights the new mining projects to invest in Chile.

The PEA work is taking into account all the existing infrastructure in the Mejillones area, so that the future water and power sources for the project will be selected in such a way to minimize as much as possible, the negative impacts on the surrounding environment. In that regards, negotiations are well advanced to tap off 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 has been commissioned to be 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 conclusion of that study should be available in Q2 2020.

4 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.

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.

Nora Plant

Early in 2019, the Company placed the Nora Plant on Care and maintenance.

In June 2019, the Company submitted a DIA to obtain approval from the Chilean authorities for the extension of the operational life of the Nora Plant. After a process of environmental evaluation with the different sectorial authorities, the Company obtained the favorable Environmental Qualification Resolution. Recently, the Company has submitted the corresponding sectorial permits to support the future operation of the Nora Plant. Following the Operational Sectorial permit approvals, it will then need to update the closure plan for the Nora Plant. The life of this asset has been extended at least to another 10 years.

The carrying value of the Nora plant as at March 31, 2020 was $4.6 million.

El Jote

In May 2016, the Company acquired an option for El Jote, a copper project located approximately 30 kilometres north-west of the Nora Plant and 58 kilometres north east of the Chañaral Port in the Atacama Region of Chile. Recent studies have demonstrated that El Jote may have sufficient resources to be developed as a mining project, which could provide ore to feed the Nora Plant. Management is currently evaluating the various scenarios.

To defer capital expenditures, an amendment to the payment terms under the El Jote option agreement was agreed to between the parties. These amended terms and conditions are detailed in Table 7 “Commitments and Option Payments”.

SCM Berta Long Term Solution (Nora Plant)

As the only remaining long lived asset of SCM Berta, a wholly-owned subsidiary of the Company, is the Nora Plant, the Company is continuously assessing different alternatives to provide a long-term solution for the Nora Plant. Among the options that have been actively reviewed include: (i) acquisition of potential exploration ground or other known deposits located near to the Nora Plant that could be economical; (ii) sale of the asset; and (iii) establishing of a tolling agreement with third parties.

5 Financial Position Review

At the beginning of 2020, the Company had cash of $9.9 million. During the three months ended March 31, 2020, the Company financed its acquisition costs and option payments of $7.7 million (including the initial $6.0 million payment for the 1-23 Claims and $1.2 million in option agreement payments), $0.6 million in general exploration activities related to its scout drilling program, $0.8 million care and maintenance costs and an additional $0.5 million in other general expenses from cash on hand and the drawdown of $2.0 million under a working capital facility.

As at March 31, 2020, the Company had $2.1 million in cash, total assets of $62.8 million, total liabilities of $34.2 million and shareholders' equity of $28.6 million. These balances include amounts from the Company's wholly-owned subsidiary, SCM Berta. Loans held by the subsidiaries are non-recourse and are limited to those subsidiaries. For clarity, the Company is presenting both consolidated financial information and segmented financial information to better understand the risk and exposures to the Company.

On February 14, 2020, the Company completed the acquisition of the remaining 49% interest in the 1-23 Claims, resulting in 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.

On March 5, 2020, the Company signed a working capital facility with Greenstone Resources II LP ("Greenstone") and Tembo Capital Mining Fund II LP ("Tembo"), both shareholders of the Company, for a twelve-month $6.0 million loan facility to cover working capital and general operating costs. On March 3, 2020, the Company signed extensions related to certain related party loans, amending the maturity dates to August 20, 2020. (See Shareholder Loans and Other Debt Section below).

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 Q1 2020, the Company paid $1.2 million under various property options agreements (i.e. Olimpo y Cedro, Atahualpa, El Jote and La Atómica) and paid $12.0 million as part of the 1-23 Claim acquisition transaction.

On April 21, 2020, the Company granted a total of 0.44 million stock options to directors and a consultant having a weighted average exercise price of C$1.25 and a 5-year term. The fair value of the stock options granted was C$0.4 million 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 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.

Working Capital

Table 3: Segmented Information Derived from Statement of Financial Position

($ 000's)	SCMB BERTA March 31, 2020	MARIMACA COPPER March 31, 2020	CONSOLIDATED March 31, 2020	CONSOLIDATED December 31, 2019
Cash and cash equivalents	446	1,723	2,169	9,865
Amounts receivable and prepaid expenses	434	77	511	582
Inventories	198	-	198	186
Accounts payable and accrued liabilities	(898)	(564)	(1,462)	(1,786)
Current portion of restoration provision	-	(964)	(964)	(960)
Current portion of other debt	(19,198)	(4,820)	(24,018)	(18,474)
Net working capital (incl current portion of debt)	**(19,018)**	**(4,548)**	**(23,566)**	**(10,587)**
Net working capital (excl current portion of debt)	**180**	**272**	**452**	**7,887**

As at March 31, 2020, the Company's working capital deficiency was $23.6 million (December 31, 2019: working capital deficiency of $10.6 million). As can be seen in Table 3, a significant portion of the working capital deficiency, $19 million, is associated with SCM Berta, and is non-recourse to the parent company, Marimaca Copper.

As at March 31, 2020, the current portion of other debt increased by $5.5 million from $18.5 million to $24.0 million mainly due to a combination of a $2.0 million drawdown under the Working Capital 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 an increase of $0.8 million related to interest, arrangement fees and accretion of debt on the Company's outstanding loans.

Long-Lived Assets

Table 4: Long-Lived Assets

($ 000's)	SCM BERTA March 31, 2020	MARIMACA COPPER March 31, 2020	CONSOLIDATED March 31, 2020	CONSOLIDATED December 31, 2019
Property, plant and equipment ("PP&E")				
Nora plant	4,626	-	4,626	4,626
Iván plant	-	11,217	11,217	11,217
Other	284	176	460	501
Total PP&E	**4,910**	**11,393**	**16,303**	**16,344**
Exploration and evaluation assets ("E&E")				
Marimaca	-	19,520	19,520	8,121
Marimaca District	-	429	429	389
La Atómica	-	7,053	7,053	6,534
El Jote	878	-	878	761
Atahualpa	-	12,911	12,911	12,579
Llanos and Mercedes	-	55	55	55
Olimpo & Cedro	-	918	918	518
Total E&E	**878**	**40,886**	**41,764**	**28,957**
Total long-lived assets	**5,788**	**52,279**	**58,067**	**45,301**

Long-lived assets consist of property, plant, equipment and exploration & evaluation assets. No significant changes were recorded at as March 31, 2020 compared to December 31, 2019. The Nora and Ivan Plants remained on careand maintenance with the Company expensing $0.2 million and $0.6 million, respectively, associated with care and maintenance activities.

Exploration and evaluation assets increased by $12.8 million to $41.8 million as at March 31, 2020 from $29.0 million as at December 31, 2019. The increase is attributable to the capitalization of Marimaca expenses totaling $11.4 million of which $11.1 million relate to the acquisition of the 49% interest in the 1-23 Claims and $0.3 million relate to Marimaca exploration activities. Option payments of $1.4 million were capitalized as follows: (i) $0.2 million for Atahualpa; (ii) $0.4 million for Olimpo and Cedro; (iii) $0.5 million for La Atomica; (iv) $0.1 million for El Jote; and (v) $0.2 million associated with exploration activities on these properties.

Total assets as at March 31, 2020 were $62.8 million (December 31, 2019: $58.1 million).

Liabilities

Table 5: Liabilities

($ 000's)	SCM Berta March 31, 2020	Marimaca Copper March 31, 2020	CONSOLIDATED March 31, 2020	CONSOLIDATE December 31, 2019
Current				
Accounts payable and accrued liabilities	898	564	1,462	1,786
Greenstone and other shareholder loans	18,703	2,057	20,760	17,996
Propipe Instalment[1]	496	-	496	478
1-23 Claims acquisition	-	2,718	2,718	-
Lease	-	44	44	-
Restoration provision	-	964	964	960
Total current liabilities	**20,097**	**6,347**	**26,444**	**21,220**
Non-current				
1-23 Claims acquisition	-	2,429	2,429	-
Restoration provision	1,421	3,918	5,339	5,314
Total other liabilities	**1,421**	**6,347**	**7,768**	**5,314**
Total liabilities	**21,518**	**12,694**	**34,212**	**26,534**

(1) "Propipe Instalment" refers to the last outstanding amount to be paid to Propipe, due to the acquisition of their 35% stake in SCM Berta in 2018.

Current liabilities increased by $5.2 million from $21.2 million as at December 31, 2019 to $26.4 million at March 31, 2020, mainly due a $2.0 million shareholder loan drawdown under the Marimaca Working Capital Facility (See the Shareholder Loans and Other Debt Section below), followed by $0.8 million in accrued interest, arrangement fees and accretion of debt for the period, $2.7 million related the third instalment under the acquisition of the 49% interest in the 1-23 Claims, partially offset by a reduction in account payable and accrued liabilities of $0.3 million.

Non-current liabilities increased by $2.5 million from $Nil at December 31, 2019 to $2.4 million at March 31, 2020 and the change is related to the non-current portion of unpaid acquisition costs for NewCo Marimaca mentioned above.

Total liabilities as at March 31, 2020 of $34.2 million (December 31, 2019: $26.5 million) consists of accounts payable and accrued liabilities of $1.5 million (December 31, 2019: $1.8 million) and other liabilities.

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 March 31, 2020:

Marimaca Copper Working Capital Facility

On March 5, 2020, the Company signed a working capital facility with Greenstone and Tembo 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 the principal amounts drawn under this Marimaca WC Facility which are payable at maturity. The maturity date is March 25, 2021. The Marimaca WC Facility is a non-revolving-unsecured loan.

As of March 31, 2020, the Company owed $2.0 million in principal, $0.06 million in accrued interest and arrangement fees.

Marimaca (1-23 Claims) Acquisition

As previously disclosed above, under the terms of the 1-23 Claims acquisition, the Company agreed to make two instalments of $3.0 million each on the first and second anniversary of the transaction. The Company recorded $5.1 million as the fair value of the future instalments using an annual discount of 12% for two years, with $2.7 million classified as current and $2.4 million classified as long-term.

SCM Berta Shareholder Loans and Other Debts

The following loans are non-recourse to Marimaca Copper and are limited to RSC and its subsidiaries.

SCM Berta Facility

In April 2018, SCM Berta, a wholly-owned subsidiary of Marimaca Copper, entered into a $12.0 million financing arrangement whereby an affiliate of Greenstone, Marimaca Copper's largest shareholder, provided a convertible loan to SCM Berta (the "SCM Berta Facility"). The SCMB Facility is a secured loan, convertible into a 75% interest in Marimaca Copper's wholly-owned subsidiary Rising Star Copper Ltd. ("RSC"), which is the ultimate parent of SCM Berta. The SCM Berta Facility had a 60-day interest free period, followed by a 15% annual interest rate compounded monthly. In Q1 2020, Greenstone and the Company agreed to extend the conversion notice to August 12, 2020 and the maturity and conversion dates to August 17, 2020. The conversion feature of the SCM Berta Facility represents an embedded derivative, as the conversion option is at the discretion of the lender. The Company determined that the derivative had a nominal value as at March 31, 2020 and December 31, 2019.

The SCM Berta Facility is a non-recourse loan to Marimaca Copper and is limited to RSC and its subsidiaries.

As at March 31, 2020, the Company has a 100% ownership in RSC and owed $12.0 million (December 31, 2019 - $12.0 million) plus accrued interest of $3.6 million (December 31, 2019 - $3.0 million) in respect of the SCM Berta Facility Loan is 15%.

SCM Berta Working Capital Loan

On September 12, 2018, SCM Berta entered into a credit agreement with an affiliate of Greenstone for an eleven-month $10.0 million secured loan facility (the "SCM Berta WC Loan"). The eleven-month SCM Berta WC Loan had an initial annual interest rate of 12% for the first 90 days, followed by a 15% annual interest rate for the remaining period, compounded monthly. As of March 31, 2020, the current annual interest rate is 17% and the Company owed $2.0 million in principal, $0.9 million in accrued interest and $0.2 million in arrangement fees. The maturity date of the SCM Berta WC Loan was originally August 12, 2019 and in Q1 2020, Greenstone and the Company agreed to extend the maturity date to August 12, 2020.

The SCM Berta WC Loan is a non-recourse loan to Marimaca Copper and is limited to RSC and its subsidiaries.

If necessary, further funds may be drawn under the SCM Berta WC Loan to cover costs related to care and maintenance expenditures and to assess the potential for a long-term development plan for the Nora processing facilities.

ProPipe Instalment

The SCM Berta Facility was conditional on SCM Berta acquiring the 35% minority interest in the Berta Mine for an initial upfront payment of $0.5 million (paid in May 2018), with three future instalments of $0.5 million falling 12, 18 and 24 months after the initial payment. The Company also agreed to pay an outstanding loan balance of $0.25 million to ProPipe (paid in April 2018). In 2019, the Company paid the first two of the three outstanding instalments for total payments of $1.0 million. As of March 31, 2020, the amortized loan balance is $0.5 million.

Restoration Provision

The Company's restoration provision is associated with its Nora and Ivan Plants, both of which are currently on care and maintenance. As at March 31, 2020, the Company's restoration provision totalled $6.3 million (December 31, 2019 - $6.3 million), with $1.0 million classified as current and $5.3 million classified as long-term.

In calculating the present value of the restoration provisions, management used risk-free interest rates between 1.6%-1.95% and inflation rates of 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. Due to the nature of closure plans, cash expenditures are expected to occur over a significant period of time with the majority of the expenditures expected to as follows: Nora Plant within 5 years and Ivan Plant in 1 to 22 years. No changes to the retirement plans were identified to reflect the impact of COVID-19, but the Company will monitor closely future inflation rates and other variables.

Liquidity and Going Concern

The 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 three months ended March 31, 2020, the Company reported a net loss of $3.0 million (March 31, 2019 - $3.8 million) and cash outflows from operating activities of $1.9 million (March 31, 2019 - $3.3 million). As at March 31, 2020, the Company had a working capital deficit of $23.6 million (December 31, 2019 – $10.6 million) and an accumulated deficit of $123.2 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 future, including the impact of the global coronavirus pandemic on future expenses and cash flows 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, not only on management's ability to secure additional financing in these uncertain and volatile financial markets, but on the duration of the pandemic and the restrictions put in place by various governments. It is evident that besides the delays in exploration and PEA programs, the Company is experiencing other challenges like market instability, declining of the spot price for copper and a 12% increase in the US dollar in Q1 2020. The Company continues to monitor the situation closely and is waiting for health authorities to provide additional guidance on these matters. There can be no assurance that management will be successful in raising additional financing.

The Company typically finances its activities with equity issuance and loans. Of the Company's $24.0 million in current liabilities, $20.3 million is payable to Greenstone, who owns approximately 24.9% of the Company's issued and outstanding shares. The Company expects that cash on hand and funds that are available under its SCM Berta WC Loan ($8.0 million) and Marimaca WC Facility ($4.0 million) will allow the Company to continue its normal operations and fulfil its short and medium-term financial liabilities.

Shareholders' Equity

Table 6: Equity

	March 31, 2020	December 31, 2019
Common shares outstanding *(000's)*	64,357,847	64,357,847
Options outstanding *(000's)*	2,014,138	1,615,750
Weighted average exercise price	CA$2.43	CA$2.73
Market capitalization *(in millions)*	C$80.45	CA$112.6
Closing share price *(as of March 31, 2020)*	C$1.25	CA$1.75

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 amounts above have been adjusted to reflect the share consolidation.

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 March 31, 2020.

Table 7: Contractual Obligations and Option Payments

Property Option Payments *(in million of US$)*	2020	2021	2022-2023	Total
El Jote *	0.3	0.5	1.6	2.4
La Atómica	4.4	-	-	4.4
Atahualpa	-	0.2	1.6	1.8
Olimpo & Cedro *	0.3	1.8	3.6	5.6
Llanos And Mercedes	0.1	0.2	1.7	2.0
Total property option payments ($m)	**5.1**	**2.7**	**8.5**	**16.2**

**** Subsequent to March 31 2020, the Company made these option payments as scheduled.***

Option Agreements

Marimaca 1-23 Claims

As previously mentioned above, the Company committed to $6.0 million in future instalments under the acquisition of the remaining 49% interest in the 1-23 Claims, whereby the Company has a 100% ownership interest. Each payment of $3.0 million is due on the first and second 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.

On November 14, 2019, the Company modified the La Atómica Option Agreement to split into two tranches the $1.0 million payment due on the 24-month anniversary payable as follows: (i) $0.5 million upon signing of the new agreement (paid); (ii) $0.5 million on the 4-month anniversary date of the modified option agreement, including an additional $0.02 payment representing 0.75% interest per month from the date of the new agreement to March 14, 2020 (paid).

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; $5.8 million was paid in 2018 and the balance of $0.2 million was paid in Q1 2019. A 2% NSR was 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

Under the terms of a January 2018 option agreement, the Company may acquire 100% of the Olimpo y 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; $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.

On November 28, 2019 the Company modified the option agreement to split in two tranches the $0.7 million payment due on the 24-month anniversary payable as follows: (i) $0.4 million on January 3, 2020 (paid); (ii) $0.3 million on April 13, 2020 (paid). The second payment of $0.3 million included an interest of $0.01, representing a 0.03% interest a day from the date of the new agreement to April 13, 2020.

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 12-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. In addition, the Llanos and Mercedes 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.

Other Properties

El Jote

In May 2016, and amended July 2019, SCMB optioned the El Jote a copper project, located approximately ~ 30km NW of the Nora plant and 58kms NE of the port of Chañaral in the III Region of Chile. Under the terms of the agreement, SCMB may acquire a 100% interest in the property by completing the following option payment totaling $3.26 million; $0.57 million (paid) and $2.69 million to be paid in eleven installments as follows: $0.12 million on the signing of amended agreement (paid); $0.12 million on the 7-month anniversary (paid on February 2020); $0.12 million on the 10-month anniversary (paid); $0.18 million on the 14-month anniversary, $0.18 million on the 18-month anniversary; $0.18 million on the 22-month anniversary; $0.18 million on the 26-month anniversary; $0.18 million on the 30-month anniversary; $0.18 million on the 34-month anniversary;$0.18 million on the 38-month anniversary; $1.10 million on the 42-month anniversary. Additionally, the NSR was reduced 1.5% to 1%, without the possibility of repurchasing this NSR.

6 Expenditure Review

For the three months ended March 31, 2020, the majority of expenditures are related to general exploration, care and maintenance activities, financing costs and foreign exchange loss as reflected in the table below:

Table 8: Expenditures Summary

Expenditures Summary ($000's)	**Three months ended March 31,**	
	2020	**2019**
Expenses		
Exploration expenditures	642	1,562
Care and maintenance costs	836	1,444
Depreciation and amortization	42	37
Legal and filing fees	77	39
Other corporate costs	140	118
Salaries and management fees	113	207
Share-based payment expense	54	146
Operating loss	**1,904**	**3,553**
Finance expense	842	645
Foreign exchange loss (gain)	363	(366)
Other expense (gain)	(131)	-
Net Loss for the period	**2,978**	**3,832**
Other comprehensive loss	**2,978**	**3,832**
Items that may be subsequently reclassified to net income:		
Foreign currency translation adjustment	(7)	2
Loss and comprehensive loss for the period	**2,971**	**3,834**

Three months ended March 31, 2020 compared to the three months ended March 31, 2019

For the three months ended March 31, 2020, the Company recorded a net loss of $3.0 million compared to the loss of $3.8 million for the same period in 2019.

General exploration expenses decreased by $0.9 million from $1.6 million in Q1 2019 to $0.6 million in Q1 2020. Exploration expenses include drilling costs for the Marimaca District and the allocation of project administration costs. In Q1 2019, $1.6 million in exploration expenses were mainly related to general drilling and the allocation of project administration costs.

Care and maintenance expenses decreased by $0.6 million from $1.4 million in Q1 2019 to $0.8 million in Q1 2020 with the decrease due to care and maintenance expenses related to the Nora Plant that was put on care and maintenance in Q1 2019. Nora Plant costs in Q1 2020 were $0.2 million and $0.6 million for Ivan plant. Care and maintenance costs in Q1 2019 were related to $0.2 million for Ivan Plant and $1.2 million for the Nora Plant, with the majority related to workforce severance payments and dismantling costs.

Finance expense increased by $0.2 million from $0.6 million in Q1 2019 to $0.8 million in Q1 2020. Finance expense in Q1 2020 relate mainly to $0.6 million in interest associated with the SCM Berta Facility and $1.0 million associated with the SCM Berta WC Loan.

Foreign exchange loss increased by $0.7 million from a foreign exchange gain of $0.4 million in Q1 2019 to a foreign exchange loss of $0.4 million in Q1 2020, due to the significant fluctuation between the Chilean peso and US dollar. The US dollar appreciated 12% against the Chilean Peso in Q1 2020.

Table 9: Summary of Quarterly Results

$ 000's	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Cash and cash equivalents	2,891	21,803	14,496	15,648	4,827	12,865	9,865	2,169
Other debt	20,135	14,515	19,694	20,367	17,563	18,264	18,474	26,447
Impairments	2,641	2,961	7,014	-	-	-	-	-
Write down inventories	-	800	432	-	-	-	-	-
Foreign exchange loss/(income)	462	(31)	667	(366)	(84)	62	198	363
Loss for the period	**4,602**	**6,380**	**10,580**	**3,832**	**4,011**	**3,261**	**3,439**	**3,440**
Loss for the period- basic and diluted per share	$0.18	$0.21	$0.18	$0.07	$0.07	$0.05	$0.05	$0.05

The main differences between the quarterly numbers in the table above relate to periodic impairment charges taken at SCM Berta. In the quarters related to 2018, the Company recorded total impairment charges of $12.6 million on the Nora Plant as the asset was not capable of generating positive returns. No further impairment charges were booked in 2019 as SCM Berta ceased operating and was placed on care and maintenance at the end of 2018.

During the third quarter of 2018, the Company recognized a write down in the value of inventories of $0.8 million and in the fourth quarter of 2018, a write down due to the sale of the Berta mining operations, which included Berta mine inventories of $0.4 million.

The variances in foreign exchange show the fluctuation of the US dollars vs the Chilean peso. In Q1 2020, the US dollar had appreciated 12% against the Chilean peso.

The main variances in cash and equivalents are due to the rights offering and private placement in Q3 2018 which strengthened the financial and cash position of the Company at the end of 2018. In Q1 2019, the Company sold the Berta mine and received $7.7 million and in Q3 2019 the remaining $0.8 million, the cash increase is mainly due to a $12.6 million private placement closed in September 2019.

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.

Table 10: Related Party Costs

	March 31, 2019	March 31, 2020
Short-term employee benefits	321	200
Share-based payments	155	47
Total	**476**	**247**

Marimaca Loans and Interest Paid to Related Parties

On March 5, 2020, the Company signed a twelve-month loan for $6.0 million with two of its major shareholders and on March 25, 2020 drew down an initial $2.0 million (See Shareholder Loans and Other Debt Section above). As at March 31, 2020, included in current portion of other debt, was an amount of $20.8 million due to shareholders that includes principal, interest and arrangement fees (March 31, 2019- $19.5 million).

As at March 31, 2020, there was an amount of $0.03 million (March 31, 2019 - $nil) payable to certain directors related to directors' fees included in accounts payable and accrued liabilities.

7 Outstanding Share Data Authorized and Issued

As at May 27, 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]	2,014,138
Total	**66,371,985**

[1]These stock options have exercise prices ranging between C$0.78 and C$3.85 per stock options and weighted average remaining life in years between 0.88 years to 5 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").

The Company had 1,608,946,194 common shares issued and outstanding and 42,995,539 options issued and outstanding. Following the Consolidation, the Company has 64,357,847 common shares issued and outstanding and 1,719,821 options issued and outstanding. All amounts have been adjusted to reflect the effect of the Consolidation.

Options

As at May 27, 2020, a total of 40,412 stock options expired (March 31, 2019 – 192,457 stock options) with a weighted average price of C$1.75 (March 31, 2019 - C$2.25).

On April 21, 2020, the Company granted a total of 440,000 stock options to certain directors and a consultant having a weighted average exercise price of C$1.25 and a 5 year term. The fair value of the stock options granted was C$0.4 million.

The options will 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.

8 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.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures. As of March 31, 2020, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's disclosure controls and procedures, as defined in NI 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings, are effective to achieve the purpose for which they have been designed.

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.

Management, including the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of the Company's internal controls over financial reporting. As of March 31, 2020, the Chief Executive Officer and Chief Financial Officer have each concluded that the Company's internal controls over financial reporting, as defined in NI 52-109 - Certification of Disclosure in Issuer's Annual and Interim Filings, are effective to achieve the purpose for which they have been designed.

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 March 31, 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, 2017, 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; 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, 2017. 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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