



ANNUAL INFORMATION FORM

For the Year Ended March 31, 2022

Dated July 29, 2022

**ELORO RESOURCES LTD.
Suite 200 – 20 Adelaide Street East
Toronto, Ontario
M5C 2T6**

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ITEM 1: PRELIMINARY NOTES

1.1 Effective Date of Information

References to “**Eloro Resources Ltd.**”, “**Eloro**”, “**ELO**”, the “**Company**”, “**its**”, “**our**” and “**we**”, or related terms in this Annual Information Form (“**AIF**”), refer to Eloro Resources Ltd. and include, where the context requires, its subsidiaries.

All information contained in this AIF is as at March 31, 2022, unless otherwise stated.

1.2 Financial Statements and Management Discussion and Analysis

This AIF should be read in conjunction with the Company’s audited consolidated annual financial statements as at and for the year ended March 31, 2022 (the “**Financial Statements**”), as well as the accompanying Management’s Discussion and Analysis (“**MD&A**”) for such period. The Financial Statements and MD&A are available on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com under the Company’s profile.

1.3 Currency

All references to “\$” or “dollars” in this AIF are to Canadian dollars, unless otherwise expressly stated.

1.4 Scientific and Technical Information

Unless otherwise indicated, scientific and technical information in this AIF relating to the Company’s mineral properties has been reviewed and approved by Dr. Bill Pearson, P. Geo., Executive Vice President Exploration of the Company and a “qualified person” as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”).

ITEM 2: CAUTIONARY NOTES

2.1 Cautionary Note Regarding Forward Looking Statements and Forward Looking Information

Information and statements contained in this AIF that are not historical facts are forward-looking information or forward-looking statements within the meaning of Canadian securities legislation (hereinafter collectively referred to as “**forward-looking statements**”) that involve risks and uncertainties. This AIF contains forward-looking statements such as estimates and statements that describe the Company’s future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Examples of forward-looking statements in this AIF include, but are not limited to, statements with respect to:

- the Company’s ability to comply with permitting and regulatory requirements related to exploration, and development of its projects in Bolivia, Peru and Canada;
- the ongoing volatility of the novel coronavirus (“**COVID-19**”) outbreak as a global pandemic and the potential impact of COVID-19 (including COVID-19 variants) on the Company’s operations;
- the Company’s drill program at the Iska Iska Project (as defined herein) for 2022 and beyond;
- the Company’s exploration and development program at the Iska Iska Project;
- the effect of the new Mining and Metallurgy Law (*Ley de Minería y Metalurgia*) enacted by Law No. 535 on May 28, 2014 by the Bolivian government on the Company’s current and future operations at the Iska Iska Project;
- the anticipation that mineral resources at the Iska Iska Project can be developed with limited, systematic, underground drilling and channel sampling;
- the Company’s ability to meet the requirements for the maintenance of each of its mining concessions;
- the Company’s ability to continue accessing the surface lands overlying its concessions;
- the Company’s ability to secure required permitting approvals from relevant regulatory bodies in Bolivia, Peru and Canada;

- the Company’s ability to manage and/or mitigate any environmental and/or social risks associated with the development of any of its projects to the mining stage, as well as through mine construction and operation;
- the estimated capital and operating costs associated with the exploration, development, construction and operation of a mine, processing plant and other facilities required to start up a mine at any of its projects;
- the Company’s ability to continue as a going concern;
- the Company’s going-forward strategy;
- commodity prices;
- the adequacy of the Company’s working capital;
- the Company’s expectation that it will incur operating losses in future periods due to ongoing expenses associated with the holding, exploration and development of the Company’s mineral property interests;
- the Company’s ability, through the application of legal norms in the respective jurisdiction, and with the support of the relevant government authorities, to prevent illegal mining activity on its concessions;
- the mining assets optioned or acquired by the Company being and remaining attractive investment opportunities;
- the Company’s intention to retain any future earnings and other cash resources for the future development and operation of its business; and
- the Company’s intention not to declare or pay any cash dividends in the foreseeable future.

In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “is expected”, “scheduled”, “estimates”, “intends”, “anticipates”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, or “might” occur or be achieved. Any such forward-looking statements are based, in part, on assumptions and factors that may change, thus causing actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. Such factors and assumptions may include, but are not limited to: assumptions concerning base and precious metal prices; cut-off grades; accuracy of any mineral resource estimates and resource modeling; timing and reliability of sampling and assay data; representativeness of mineralization; timing and accuracy of metallurgical test work; anticipated political and social conditions; impact of the COVID-19 pandemic on the Company’s business and results of operations; expected government policy, including reforms, the ability to successfully raise additional capital; and other assumptions used as a basis for the preparation of the NI 43-101 technical report of Micon International Limited titled “Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia”, with an effective date of March 31, 2022 and dated May 1, 2022.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, and without limitation:

- risks relating to price fluctuations for gold, silver, copper, tin and other precious and base metals;
- risks inherent in any mineral resource estimation;
- risks relating to government expropriation or termination of the Company’s mineral property interests;
- risks relating to inaccurate geological and engineering assumptions;
- risks relating to all of the Company’s mineral concessions and projects being located in Bolivia, Peru and Canada, including political, social, economic, security and regulatory instability;
- risks relating to changes in Bolivia, Peru and Canada’s national, provincial and local political leadership, including impacts these may have on general and mining specific public policies, administrative agencies and social stability;
- risks relating to local political and social unrest, including opposition to mining, pressure for economic benefits such as employment or social investment programs, access to land for agricultural or artisanal or illegal mining purposes, claims by aboriginal or indigenous peoples or other demands;
- risks relating to the social, political, administrative, environmental and geological conditions in areas in proximity to the concessions under development;
- risks relating to the Company’s rights or activities being impacted by litigation or administrative processes including administrative refusal to approve registration of transfers of corporate interests and mining agreements;

- risks relating to the Company's ability to access concession surface areas and other properties needed to advance its exploration and development programs;
- risks relating to the Company's operations being subject to environmental requirements, including remediation;
- risks relating to the Company's ability to source qualified human resources, including managers, employees, consultants, attorneys, and sub-contractors, as well as to the performances of all such resources (including human error and actions outside of the control of the Company, such as negligence or malfeasance of its counterparties or agents, accidents and labour disputes);
- risks of title disputes or claims affecting mining concessions or surface ownership rights;
- risks relating to adverse changes to laws, regulations or other norms placing increased regulatory burdens or extending timelines for regulatory approval processes, including environmental, safety, social, taxation and other matters;
- risks associated with the Company's community relationships, anti-development or anti-mining non-governmental organizations;
- risks relating to delays in obtaining governmental agreements, approvals or permits necessary for the execution of exploration, development or construction activities;
- risks relating to competition inherent in the mining exploration industry, in Bolivia, Peru, Canada and elsewhere;
- risks of impacts from unpredictable natural occurrences, such as adverse weather conditions, fire, natural erosion, landslides, and geological activity, including earthquakes and volcanic activity;
- risks related to climate change, civil unrest, public health concerns (including health epidemics or pandemics or outbreaks of communicable diseases such as COVID-19) and other geopolitical uncertainties (including the military conflict in Ukraine);
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the Company's ability to obtain necessary funding for its operations, at all or on terms acceptable to the Company;
- risks relating to the Company's working capital and requirements for additional capital;
- risks relating to currency exchange fluctuations or changes in national currency;
- risks relating to fluctuations in interest and inflation rates;
- risks relating to restrictions on access to and movement of capital;
- risks relating to the value of the Company's common shares fluctuating based on market factors;
- risks relating to the Company's dependence on key personnel; and
- other risks of the mining industry,

as well as those factors discussed in ITEM 7: "*Risk Factors*" below.

Although the Company has attempted to identify important factors and risks that could affect the Company and might cause actual actions, events or results to differ, perhaps materially, from those described in forward-looking statements, there may be other factors and risks not identified herein that cause actions, events or results not to occur as projected, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this AIF speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

Forward-looking statements and other information contained herein, including general expectations concerning the mining industry, are based on estimates and forecasts prepared by the Company employing data from publicly available industry sources, as well as from market research and industry analysis, and on assumptions based on data and knowledge of this industry and the operating environments in Bolivia, Peru and Canada which the Company believes to be reasonable. Although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While the Company is not aware of any misstatements regarding any data presented herein, the mining industry involves risks and uncertainties and the data is subject to change based on various factors.

2.2 Cautionary Note to United States Investors Regarding Classification of Mineral Resource Estimates

The disclosure in this AIF has been prepared in accordance with the requirements of Canadian securities laws. Disclosure, including scientific or technical information, has been made in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards on Mineral Reserves and Mineral Resources (the “**CIM Definition Standards**”), which establish standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Canadian standards, including NI 43-101 and the CIM Definition Standards, differ significantly from the requirements of the United States Securities and Exchange Commission.

Accordingly, information contained in this AIF containing descriptions of the Company’s mineral property may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

ITEM 3: CORPORATE STRUCTURE

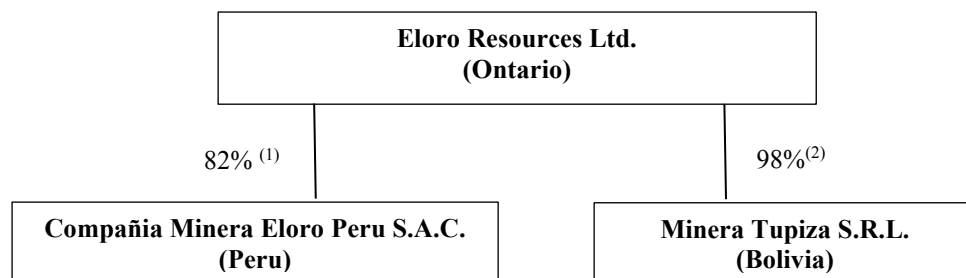
3.1 Name, Address and Incorporation

The Company was incorporated on March 4, 1975 under the *Business Corporations Act* (Ontario) (“**OBCA**”) under the name “Boutin Resources Inc.”. The Company changed its name to “Cleyo Resources Inc.” on March 25, 1980 and to “Eloro Resources Ltd.” on July 4, 1997.

The registered office of the Company is located at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6, Canada. The head office of the Company is located at 20 Adelaide Street East, Suite 200, Toronto, Ontario, M5C 2T6, Canada, telephone: (416) 868-9168.

3.2 Inter-corporate Relationships

The following diagram illustrates the organizational structure of the Company, including all of its material subsidiaries, as of July 29, 2022.



Note: (1) The Company owns 41% directly and an additional 41% indirectly through its wholly-owned subsidiary 2529907 Ontario Limited.
(2) Eloro owns 98% of Minera Tupiza S.R.L., together with an option to purchase an additional 1% for consideration of US\$3,000,000. The Company has made advance payments of US\$500,000 towards the option, leaving a balance of US\$2,500,000.

ITEM 4: GENERAL DEVELOPMENT OF THE BUSINESS

4.1 Overview

Headquartered in Toronto, Canada, the Company is a resource exploration company with a portfolio of gold and base-metal properties in Bolivia, Peru and Quebec. The Company’s focus is on the exploration and development of the Iska Iska Project in Bolivia, which the Company considers to be its only material mineral project.

The Company owns 98%, together with an option to acquire an additional 1%, of Minera Tupiza SRL which has an option to acquire from Empresa Minera Villegas SRL (“**Empresa Minera**”) a 99% interest in the Iska Iska Project (the “**Iska Iska Project**”, “**Iska Iska**”, the “**Property**” or the “**Project**”), which can be classified as a polymetallic epithermal-porphyry complex, a significant mineral deposit type in the Potosi Department, in southern Bolivia. In order to acquire its interest in Iska Iska pursuant to the said option, the Company is required to: (a) issue 250,000 common shares of the Company (“**Common Shares**”) to Empresa Minera within 30 days of the date of the agreement which granted the option (these Common Shares have been issued); (b) issue a further 250,000 Common Shares to Empresa Minera by January 6, 2022 (these Common Shares have also been issued); and (c) pay US\$10 million to Empresa Minera by January 6, 2024 (US\$3.4 million of the said US\$10 million has been paid by the Company to date). The Company commissioned a NI 43-101 technical report titled “Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia”, with an effective date of March 31, 2022 and dated May 1, 2022 (the “**Iska Iska Technical Report**”). The Iska Iska Technical Report was completed by Micon International Limited (“**Micon**”), and is available under the Company’s filings on SEDAR (www.sedar.com).

The Company, through its 82% owned Peruvian subsidiary, Compañía Minera Eoro Peru S.A.C. (“**Eoro Peru**”), also has an 82% interest in the La Victoria Gold/Silver Project (“**La Victoria**”). Eoro Peru owns 100% of La Victoria, which is located in the North-Central Mineral Belt of Peru. La Victoria consists of eight mining concessions and eight mining claims encompassing approximately 89 square kilometres. La Victoria has access to infrastructure with access to road, water and electricity and is located at an altitude that ranges from 3,150 m to 4,400 m above sea level. A NI 43-101 technical report on the La Victoria property was completed by Gateway Solutions S.A.C., is dated August 31, 2016 and is available under the Company’s filings on SEDAR (www.sedar.com).

The Company’s Common Shares trade on the TSX Venture Exchange (the “**TSX-V**”) under the symbol “**ELO**”, on the OTCQX under the symbol ELRRF, and on the Frankfurt Stock Exchange under the symbol WKN 909833.

4.2 Three Year History

March 31, 2022 to July 29, 2022

Iska Iska

On April 27, 2022, the Company announced assay results from an additional six holes from the ongoing drilling program at the Iska Iska Project that further expanded the higher grade area to the north in the eastern part of the Santa Barbara Target. Highlights included: 169.11 g Ag eq/t (64.30g Ag/t, 0.96% Zn, 0.37% Pb and 0.07% Sn) over 235.55m hole DSBU-06 (including a higher-grade section of 314.52 g Ag eq/t (192.18g Ag/t, 0.22 g Au/t, 0.07% Zn, 0.41% Pb, and 0.11% Sn) over 50.68m and an additional intersection of 110.57 g Ag eq/t (17.38 g Ag/t, 0.09 g Au/t, 0.30% Zn, 0.21% Pb and 0.11%Sn) over 128.44m further down the hole).

The Company filed the Iska Iska Technical Report on May 11, 2022.

Further drill results from the Santa Barbara Target area were announced on May 25, 2022. These new drill results, combined with previously released underground drilling results are defining a potential major feeder structure for the silver-tin polymetallic mineralization in the Santa Barbara Adit area. Bore Hole Induced Polarization surveys to a depth of almost 1,000m indicates that the conductivity increases with depth, indicating that this potential feeder zone could be substantive.

On June 13, 2022, the Company provided an update on its preliminary metallurgical testwork program for Iska Iska. The work program including testwork for development of a preliminary metallurgical flowsheet and preliminary mineralogical characterization, is being carried out by Blue Coast Research Ltd. (“**Blue Coast**”) based in Parksville, BC. The objective is to develop the preliminary flotation flowsheet to maximize lead, zinc and precious metals into saleable concentrates in the Santa Barbara polymetallic deposit and to develop a preliminary flowsheet for tin in both the Santa Barbara and the deeper tin-dominant mineralization.

Blue Coast has world-class metallurgical testing, analytical services, flowsheet development, consulting, and operational support. Their team has been augmented with the addition of Mr. Mike Hallewell, C.Eng., a senior

independent mineral processing consultant based in Cornwall, England, who has extensive specialist knowledge in the recovery of tin at mining operations and exploration projects worldwide.

The metallurgical testing is being directed by Richard Gowans, P.Eng., Principal Metallurgist for Micon, who is an independent Qualified Person as defined under NI 43-101.

The metallurgical testing program at Blue Coast is progressing well. The initial focus of their work was on the Santa Barbara polymetallic mineralization for Ag, Zn and Pb recovery based on samples from discovery hole DHK15 and hole DHK-18. The tin-rich zone in hole DSB-06 was also selected for testing but at that time it was uncertain how this mineralization was connected to the Santa Barbara polymetallic deposit. However, with further drilling and solid work by the Company's geological and geophysical team, it is now known that there is extensive tin mineralization at depth beneath the polymetallic mineralization. Once testing is completed on DSB-06, the Company will be adding additional samples from tin-rich holes to enable further development of an appropriate flow sheet for tin. While arsenic and other potentially deleterious elements are being tracked during the testwork program, these are not anticipated to be a material issue at the levels in current tests.

On June 14, 2022, results from two additional holes were announced including deep hole DSBS-02 which encountered numerous intercepts including 145.65 g Ag/t over 88.66m and 131.86 g Ag eq/t over 104.38m in the Santa Barbara Target area.

On June 24, 2022 the Company made a further installment payment of US\$400,000 towards the US\$10,000,000 option payment required to acquire a 99% interest in Iska Iska. Together with previous advance installment payments of US\$3,000,000, the Company has paid US\$3,400,000, leaving an option payment balance of US\$6,600,000.

On July 21, 2022, the Company released the highest grade, longest intersection thus far at Iska Iska, including the highest grade Ag to date of 44.75 g Ag/t over 349.08m from drill hole DSBU-10. Notably, 59% of the overall length of this 878.9m long hole yielded reportable intersections which collectively average 160.14 g Ag eq/t. Hole DHK-24, collared at surface near Huayra Kasa approximately 100m SE of Hole DSBU-10 had 62% of the overall length of 926.3m yield reportable intersections which collectively average 110.70 g Ag eq/t. The major feeder zone at Santa Barbara remains open to the southeast where further drilling is now in progress. Overall, the Company has completed 64,573m in 102 drill holes to July 21, 2022 at Iska Iska.

Bought deal financing

On May 19, 2022, the Company completed a bought deal financing of 3,007,710 units of at a price of \$3.25 per unit for gross proceeds of \$9,775,057. Each unit consisted of one Common Share and one-half of one warrant, with each of the 1,503,855 whole warrants entitling the holder to purchase one Common Share for \$4.75 until May 19, 2024. In connection with the financing, the Company paid a cash commission of \$586,503 (representing 6% of the gross proceeds of the financing) and issued 180,462 compensation warrants (representing 6% of the number of units issued pursuant to the financing), with each such compensation warrant entitling the holder to purchase one Common Share for \$3.25 until May 19, 2024.

Appointment of independent advisor

On June 6, 2022, the Company appointed Peter Marrone, a shareholder of the Company, as an independent advisor to provide support and strategic advice to management on matters of project advancement and business development in relation to its Iska Iska project. Mr. Marrone is Executive Chairman of Yamana Gold Inc., which he founded in 2003 and which recently announced that it is to be acquired by Gold Fields Limited, a combination that creates a world-class, globally diversified company with regional relevance across premier, rules-based mining jurisdictions that is underpinned by low-cost, long-life mines. Mr. Marrone has a long track record of successful mining start-ups and investments with more than 35 years of mining, business and capital markets experience. Mr. Marrone also currently sits on the board of directors, and is one of the founders, of Aris Gold Corporation which holds one of the best portfolios of producing and development stage assets in Colombia. Mr. Marrone has also been the head of investment banking at a major Canadian investment bank and before that practised law in Toronto with a strong focus on corporate law, securities law and international transactions.

Minera Tupiza Option Payment

On May 24, 2022, the Company made a further instalment payment of US\$300,000 towards the US\$3,000,000 option price to acquire an additional 1% interest in Minera Tupiza S.R.L. Together with a previous payment of US\$200,000, the balance owing on the option to purchase an additional 1% interest in Minera Tupiza S.R.L. is US\$2,500,000,

Fiscal Year ended March 31, 2022

Iska Iska

On April 13, 2021, the Company reported drilling results from the ongoing drilling program at the Iska Iska Property, specifically from five additional holes and continuous channel sampling testing the Santa Barbara Breccia Pipe (“SBBP”) target. Highlights included: i) 442 grams silver equivalent/tonne (“g Ag eq/t”)⁽¹⁾(165 g Ag/t, 3.46% Pb and 0.46% Sn) over 166m including 1,092 g Ag eq/t (including 446 g Ag/t, 9.03% Pb and 1.16% Sn) over 56.19m in continuous channel sampling of the Santa Barbara adit. This high-grade interval includes two exceptional sections with 2,445.88 g Ag eq/t (1,024 g Ag/t, 25.0% Pb and 1.16% Sn) over 8.11m and 1,941 g Ag eq/t (870 g Ag/t, 7.58% Pb and 2.43% Sn) over 12.3m, ii) 155.15 g Ag eq/t including notably high Sn, 0.43 %Sn over 73.29m in drill hole DSB-06, iii) 115.76 g Ag eq/t over 84.0m and 66.44 g Ag eq/t over 217.9m in Hole DSB-03, iv) 96.71 g Ag eq/t over 29.4m and 120.03 g Ag eq/t over 13.57m in Hole DSB-05, and v) 65.72 g Ag eq/t over 83.3m including 120.91 g Ag eq/t over 25.0m in Hole DSB-02.

On May 4, 2021 the Company reported the results from the first drill hole (DCN-01) to test the Central Breccia Pipe (“CBP”) which intersected multiple mineralized intercepts including 196.09 g Ag eq/t (150.25 g Ag/t, 0.10% Sn and 0.05 g Au/t) over 56.2m and containing 342.98 g Ag eq/t (274.0 g Ag/t, 0.16% Sn and 0.16 g Au/t) over 27.53m, from 252.84m to 309.04m.

Drill results for hole DSB-07, which tested the SBBP, were announced on May 26, 2021, and included the following multiple mineralized intercepts: i) 122.66 g Ag eq/t (35.05 g Ag/t, 0.72% Zn, 0.61% Pb, 0.11% Sn and 0.06 g Au/t) over 123.61m from 236.60m to 360.21m including 205.74 g Ag eq/t (92.30 g Ag/t, 0.57% Zn, 0.85% Pb, 0.18% Sn and 0.07 g Au/t) over 32.32m, from 317.21m to 349.53m, ii) 105.41 g Ag eq/t (8.55 g Ag/t, 1.01% Zn, 0.48% Pb, 0.06% Sn and 0.38 g Au/t) over 173.58m from 449.87m to 623.45m including 199.77 g Ag eq/t (21.90 g Ag/t, 1.18% Zn, 0.93% Pb 0.12% Sn and 0.94 g Au/t) over 39.08m, from 551.19m to 590.27m, iii) 146.19 g Ag eq/t (1.70 g Ag/t, 0.00% Zn, 0.01% Pb, 0.42% Sn and 0.02 g Au/t) over 10.20m from 171.60m to 181.80m in the oxide zone indicating potential for significant Sn mineralization in this strongly leached nearer surface zone, and iv) In aggregate, 64% of this 683.4m long hole returned reportable mineralized intervals.

Eloro reported additional multiple holes with significant silver-tin polymetallic Intercepts in the Santa Barbara and Central Breccia Pipes on July 6, 2021 including:

- Hole DSB-08, testing the northeast quadrant of the SBBP, encountered eighteen reportable mineralized intercepts beginning near surface to its terminus at 614.4 m. The longest intercept was 69.89 g Ag eq/t over 252.89m from 355.12 to 608.02m including several higher-grade sections of 196.60 g Ag eq/t including 131.13 g Ag/t over 14.52m, 134.62 g Ag eq/t including 93.25 g Ag/t over 21.08m and 145.35 g Ag eq/t including 2.38% Zn over 10.11m.
- Hole DSB-10, testing the southwest quadrant of the SBBP and northern part of the CBP, encountered twenty-nine reportable mineralized intercepts beginning near surface to its terminus at 1,019.4m. Tin was notably elevated in many intervals suggesting proximity to a mineralizing intrusive source in this area. Notable intercepts include 114.96 g Ag eq/t including 0.325% tin (Sn) over 56.2m from 322.18m to 378.30m including a higher-grade section of 187.98 g Ag eq/t including 0.535% Sn over 28.86m, 80.71 g Ag eq/t including 0.213% Sn over 74.39m from 474.86 to 549.25m and 118.69 g Ag eq/t over 10.77m from 829.97 to 840.74m.

¹ Metal prices and conversion factors used for the calculation of all gram Ag eq/t in this AIF are detailed in the referenced respective press releases.

Further holes with significant silver-tin polymetallic intercepts in the Santa Barbara and Central Breccia Pipes were reported on July 28, 2021, including:

- Hole DHK-18, drilled due south at -10 degrees from the west drill bay in the Huayra Kasa underground workings to test the mineralized envelope of the SBBP, intersected 129.65 g Ag eq/t (18.38 g Ag/t, 2.14% Zn, 0.67%Pb, and 0.047% Sn) over 300.75m from 65.14m to 365.91m. This includes higher grade intervals of 215.54 g Ag eq/t over 72.76m, 163.35 g Ag eq/t over 31.83m and 224.48 g Ag eq/t over 19.39m. This hole intersected significant mineralization approximately 230m below the eastern part of the Santa Barbara adit from which continuous channel sampling previously reported returned 442 g Ag eq/t over 166m (see press release April 13, 2021). 82% of this 446.5m long hole contained reportable intervals;
- Hole DSB-11, drilled to the southeast at -40 degrees from the SBBP radial centre to test the area approximately 300m below the Santa Barbara adit intersected 121.90 g Ag eq/t (40.27g Ag/t, 0.10 g Au/t 0.48% Pb, 0.11% Cu and 0.14% Sn) over 137.4m from 190.02m to 327.36m. This includes a higher-grade interval grading 173.53 g Ag eq/t over 80.54m. Notable intercepts lower in the hole include 76.59 Ag eq/t over 55.9m from 407.60m to 463.51m including a higher-grade section of 105.56 g Ag eq/t over 33.31m and 78.82 g Ag eq/t over 143.03m from 520.7m to 773.73m including 105.48 g Ag eq/t over 34.82m and 120.70 g Ag/t over 19.54m. Overall 61% of this 665.3m hole contains reportable intersections.
- Hole DCS-01 drilled due east at -60 degrees was the first reconnaissance hole drill from the south radial platform on CBP. This hole, which was drilled to 1,007.5m, intersected 25 reportable Ag-Zn-Pb-Sn mineralized intervals ranging in size from 1.43m to 34.86m from the start of the hole to its end. Best results include 87.75 g Ag eq/t over 21.67m, 161.07 g Ag eq/t over 13.25m, 100.60 g Ag eq/t over 15.15m, 54.44 g Ag eq/t over 34.86m, 90.24 g Ag eq/t over 26.91m and 117.48 g Ag eq/t over 16.51m.
- Hole DCN-03 was drilled southeast at -60 degrees from the northern radial platform of the CBP. This hole intersected nine mineralized intersections principally Sn-Ag over its 464.5m length. The best result was 48.59 g Ag eq/t (16.23 g Ag/t, 0.12% Pb and 0.064% Sn) over 15.05m.

A detailed ground magnetic survey of the Iska Iska Property reported on June 6, 2021 confirmed the extent of the Iska Iska Caldera as determined from geological mapping and satellite interpretation including Aster data. The Santa Barbara and Central Breccia Pipes, both of which have been confirmed by drill-testing, are marked by prominent low anomalies reflecting strong alteration. The magnetic data suggests that the that the Central and Porco Breccia Pipes likely merge at depth.

On September 7, 2021, the Company announced further drill results from an additional four holes. Highlights included intersecting 234.19g Ag eq/t over 53.20m in hole DHK-20 in the mineralized envelope of the SBBP, Hole DHK-19, intersected 108.24 g Ag eq/t over 48.2 and hole DCN-04 intersected seventeen mineralized intersections, principally Sn-Ag-bearing, over its 851.4m length.

Two additional holes were reported on September 28, 2021 including an intersection of 160.22g Ag eq/t (36.53 g Ag/t, 1.63%Zn, 1.20%Pb and 0.10%Sn) over 194.14 m in the SBBP. A further hole was reported on November 2, 2021 whereby 100 Ag eq/t (including 38.71 g Ag/t, 0.88%Zn and 0.51%Pb) over 188.5 m in the SBBP was intersected. On November 17, 2021 the results from channel sampling at the Porco Breccia Pipe (“PCP”) were reported together with an additional drill hole.

On February 1, 2022, the Company reported the results of seven additional drill holes. Highlights include; 239.72 g Ag eq/t (39.58 g Ag/t, 1.04% Pb, 0.26% Cu and 0.20% Sn) over 82.74m in hole DSBU-01 and 134.47 g Ag eq/t (10.79 g Ag/t, and 0.15 %Sn) over 115.44m including a higher-grade section of 160.87 g Ag eq/t (9.65 g Ag/t, 0.21% Cu, and 0.17 %Sn) over 37.55m in hole DSBU-02. Three of the holes reported on this day tested the CBP target with the final two testing the PBP target.

Six additional drill holes were reported on February 23, 2022, including 172.43 g Ag eq/t (40.16 g Ag/t, 0.51% Zn, 0.41% Pb and 0.13% Sn) over 303.05m in METSBUG-02, an underground metallurgical hole in the Santa Barbara mineral resource target area. The Company also intersected 171.57 g Ag eq/t (12.04 g Ag/t, 0.29% Zn, 0.22% Pb and

0.22% Sn) over 373.40m in the southern part of the Santa Barbara Target area in drill Hole DSBU-03, which was reported on March 1, 2022.

On March 16, 2022, the results of a further two drill holes were announced, including 182.34g Ag eq/t (29.85g Ag/t, 1.01% Zn, 0.64% Pb, 0.11% Cu and 0.11% Sn) over 351.0m in METSBUG-01 and of 205.13g Ag eq/t (25.01g Ag/t, 0.11g Au/t, 0.13% Cu and 0.25% Sn) over 81.11m in DSB-25.

Filing of Base Shelf Prospectus

On March 10, 2022, the Company announced that had filed a preliminary short form base shelf prospectus with the securities regulatory authorities in each of the provinces of Canada except Québec (the final short form base shelf prospectus was subsequently filed by the Company with the said securities regulatory authorities on May 11, 2022). The base shelf prospectus allows the Company to qualify the distribution by way of prospectus of up to C\$100 million, in aggregate, of Common Shares, warrants and units, or any combination thereof, from time to time during the 25-month period during which the base shelf prospectus is effective. The specific terms of any future offering will be established in a prospectus supplement to the base shelf prospectus, which supplement will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. The Company filed the base shelf prospectus to provide it with greater financial flexibility going forward.

Fiscal Year ended March 31, 2021

Bought deal financings

On January 5, 2021, the Company completed a bought deal short-form prospectus financing, including the exercise in full of the over-allotment option, comprised of 4,080,660 units of at a price of \$1.55 per unit for gross proceeds of \$6,325,023. The financing was underwritten on a bought deal basis by a syndicate of underwriters led by Haywood Securities Inc. and including Echelon Wealth Partners Inc. Each unit consisted of one Common Share and one-half of one warrant, with each whole warrant entitling the holder to purchase one Common Share for \$2.00 until January 5, 2023. In connection with the financing, the Company paid a cash commission of \$442,752 (representing 7% of the gross proceeds of the financing) and 285,642 compensation warrants (representing 7% of the number of units issued pursuant to the financing), with each such compensation warrant entitling the holder to purchase one Common Share for \$1.55 until January 5, 2023.

On March 26, 2021, the Company completed another bought deal financing comprised of 6,670,000 units at a price of \$3.75 per unit for gross proceeds of \$25,012,500. Each unit consisted of one Common Share and one-half of one warrant, with each whole warrant entitling the holder to purchase one Common Share for \$5.25 until March 26, 2023. In connection with the financing, the Company paid a cash commission of \$1,500,750 (representing 6% of the gross proceeds of the financing) and 400,200 compensation warrants (representing 6% of the number of units issued pursuant to the financing), with each such compensation warrant entitling the holder to purchase one Common Share for \$3.75 until March 31, 2023.

Private placements of units

On May 20, 2020, the Company completed a private placement of 2,200,000 units at a price of \$0.25 per unit for proceeds of \$550,000. Each unit consisted of one Common Share and one-half of one warrant, with each whole warrant entitling the holder to purchase one Common Share for a price of \$0.50 per Common Share until November 20, 2021.

On June 9, 2020, the Company completed a private placement of 5,000,000 units at a price of \$0.30 per unit for proceeds of \$1,500,000. Each unit consisted of one Common Share and one-half of one warrant, with each whole warrant entitling the holder to purchase one Common Share for a price of \$0.50 per Common Share until June 9, 2022. In connection with the private placement, the Company issued 7,000 broker warrants with the same terms as the unit warrants. In connection with the purchase of 4,500,000 units under the private placement, the Company granted a subscriber with the right to maintain its percentage holding of Common Shares by participating in any private placement of Common Shares or units until June 9, 2023.

Iska Iska

On June 25, 2020, the Company announced that Minera Tupiza S.R.L. (“**Minera Tupiza**”) had contracted Empresa Minera Villegas SRL (“**Empresa Minera**”) to start underground drill bay preparations required for a 3,500 m underground diamond drilling program. The Company and contractor implemented safeguards to protect personnel from the COVID-19 pandemic. Preparations included the rehabilitation of 400 m of underground workings and preparation of drill bays in the Huayra Kasa mine and in the Mina 2 underground workings located 2 km south of Huayra Kasa. All workings were systematically geologically mapped and channel sampled. The drill program followed the outline presented in the then current NI 43-101 technical report and was the first drilling to ever be carried out at Iska Iska. The program was designed to test the full extent of the mineralized system in the vicinity of the mine workings.

On September 14, 2020, the Company announced that Minera Tupiza had commenced the drill program, carried out by Leduc Drilling S.R.L., an experienced Bolivian drill contractor.

On October 14, 2020, the Company announced that Minera Tupiza staked nine additional properties (known as “Mining Areas” under Bolivian law) covering a total of 311.75 square kilometres in the Potosí Department, southern Bolivia where Iska Iska is located. The properties are located on prominent ASTER (Advanced Spaceborne Thermal Emission and Reflection Radiometer) anomalies with a similar hydrothermal alteration signature to that of Iska Iska.

On November 18, 2020, the Company announced the discovery of a major breccia pipe with extensive silver polymetallic mineralization just east of the Huayra Kasa underground workings and a high-grade gold-bismuth zone in the underground workings. On November 24, 2020, diamond drilling confirmed the presence of a second major breccia pipe southwest of the Huayra Kasa underground workings, namely the SBBP.

On January 26, 2021, the Company reported significant results from drilling at the SBBP, including: i) 129.60 g Ag eq/t over 257.5m (29.53g Ag/t, 0.078g Au/t, 1.45%Zn, 0.59%Pb, 0.080%Cu, 0.056%Sn, 0.0022%In, 0.0064%Bi and 0.0083%Cd) from 0.0m to 257.5m in hole DHK-15, the deepest of the three holes reported within the SBBP, ii) 79.00 g Ag eq/t over 121.33m (21.77g Ag/t, 0.034g Au/t, 0.35%Zn, 0.23%Pb, 0.18%Cu, 0.056%Sn, 0.0011%In, 0.004%Bi and 0.0055%Cd) from 0.0m to 121.33m in Hole DHK-14 within the SBBP, and iii) 74.16 g Ag eq/t over 40.88m (33.43g Ag/t, 0.032g Au/t, 0.04%Zn, 0.33%Pb, 0.13%Cu, 0.045%Sn, 0.0010%In and 0.0012%Bi) from 30.40m to 71.28m in Hole DHK-13 which is within the approximately 100m wide mineralized envelope that surrounds the breccia pipe.

Drill results for two additional underground holes and the first radial surface hole were announced on February 23, 2021, Highlights of the underground SBBP drill results included 67.39 g Ag eq/t over 213.10m including 205.17 g Ag eq/t over 13.04m in Hole DHK-16 drilled at -10 degrees 50m southwest and parallel to Hole DHK-14 and 279.82 g Ag eq/t over 8.57m, 74.21 g Ag eq/t over 52.93m and 121.61 g Ag eq/t over 37.85m in Hole DHK-17, drilled at -50 degrees 50m southwest and parallel to Hole DHK-15. The radial surface drill hole returned 114.43 g Ag eq/t over 33.25m in Hole DSB-01 which was drilled at -45 degrees south.

Appointment of Technical and Senior Business Advisor and Executive Vice-President Exploration

On June 15, 2020, Eloro appointed Dr. Quinton Hennigh as Technical and Senior Business Advisor. Dr. Hennigh is an economic geologist with 25 years of exploration experience, and is a founder and current Chairman and President of Novo Resources Corp., which is exploring and developing gold projects in the Pilbara region of Western Australia, including its Beatons Creek, Karratha and Egina gold projects, the latter of which is under a joint venture with Japan’s Sumitomo Corporation. Early in his career, Dr. Hennigh explored for major mining firms including Homestake Mining Company, Newcrest Mining Ltd and Newmont Mining Corporation. He then joined the junior mining sector in 2007 and has been involved with a number of Canadian listed gold companies, including Gold Canyon Resources Inc., where he led exploration at the Springpole alkaline gold project near Red Lake Ontario that was sold in 2015 to First Mining Gold Corp. Dr. Hennigh was also instrumental in Kirkland Lake Gold Ltd.’s acquisition of the Fosterville gold mine, which is located in Australia and was previously owned by Newmarket Gold Inc.

On February 16, 2021, Eloro appointed Dr. William Pearson, P.Geo., as Executive Vice-President Exploration to manage all technical aspects of the Company’s exploration program. Dr. Pearson is a noted leader in the geosciences.

He has more than 46 years of direct experience in the exploration and production of minerals worldwide. He has played an integral role in creating value that led to successful acquisitions of Desert Sun Mining Corp by Yamana Gold in 2006 and Central Sun Mining by B2 Gold in 2009. Dr. Pearson was the founding President of the Association of Professional Geoscientists of Ontario (now Professional Geoscientists Ontario).

Fiscal Year Ended March 31, 2020

Private placements of units

On November 28, 2019, the Company completed a private placement of 2,000,000 units at a price of \$0.25 per unit for gross proceeds of \$500,000. Each unit consisted of one Common Share and one-half of one Common Share purchase warrant, with each whole warrant entitling the holder to purchase one Common Share for \$0.50 until May 26, 2021 or May 28, 2021, as applicable. Pursuant to the private placement, directors and officers of the Company acquired 898,430 units and an insider of the Company acquired 100,000 units. In connection with the private placement, two arm's length finders received 36,400 finder's compensation warrants, with each such compensation warrant entitling the holder to purchase one Common Share at a price of \$0.50 per Common Share until May 26, 2021.

Iska Iska

On January 9, 2020, the Company entered into a definitive agreement with Empresa Minera, whereby the Company's Bolivian subsidiary, Minera Tupiza S.R.L., was granted an option to acquire a 99% interest in Iska Iska (the "Agreement"), a polymetallic property consisting of one mineral concession totaling 900 hectares located in Bolivia. Pursuant to the Agreement, in order to acquire an interest in Iska Iska, the Company has agreed to conduct an exploration and development program at the Property spanning 4 years concluding on January 6, 2024, and issue Common Shares and make an option payment, as follows:

	Number of Common Shares to be issued	Option Payment US\$
February 5, 2020	250,000	-
January 6, 2022	250,000	-
January 6, 2024	-	10,000,000
	500,000 ⁽¹⁾	10,000,000 ⁽¹⁾

(1) Since entering into the Agreement, as of the date of this AIF the Company has issued the 500,000 Common Shares as per the terms of the Agreement and made advance installment option payments of US\$3,400,000, leaving an option payment balance of US\$6,600,000.

During the year ended March 31, 2020, the Company made pre-acquisition exploration and evaluation expenditures of \$92,980.

Since entering the Agreement, the Company's central focus has been on the Iska Iska Project.

La Victoria

Further to the drilling program conducted at La Victoria in the summer of 2018, the Company continued its efforts to obtain required permitting in order to drill the San Markito target. On May 27, 2019, the Company provided an update on the ongoing process to obtain all of the necessary permits, including the local approval of the community of Pallasca, Pallasca District, Ancash Department, Peru, and the entering into of a local land rental contract. A further update was announced on December 19, 2019, whereby it was announced that community elections in Pallasca were completed and a new President of the community was elected. The Company has been working with the new community council in order to obtain its required permitting and a land rental contract, which it has yet to obtain.

ITEM 5: DESCRIPTION OF THE BUSINESS

Summary

The Company is a Toronto, Canada-based precious and base metals exploration and development company focused on its Iska Iska Project, located in the Potosi Department in southern Bolivia. The Company has an experienced management team with a successful track record of advancing and monetizing exploration projects. Iska Iska is the Company's only material mineral property. Iska Iska is in the exploration stage and is not currently in production.

Specialized Skill and Knowledge

Management of the Company is comprised of a team of individuals who have extensive expertise and experience in the mineral exploration industry and exploration finance and are complemented by an experienced board of directors (the "**Board**"). See ITEM 12: "*Directors and Officers*" below.

Competitive Conditions

The Company competes with other mineral exploration and mining companies for mineral properties, joint venture partners, equipment and supplies, qualified personnel and exploration and development capital. See ITEM 7: "*Risk Factors*" below.

Environmental Protection

The current and future operations of the Company are subject to laws and regulations governing exploration, development, tenure, production, taxes, labour standards, occupational health, waste disposal, greenhouse gas emissions, protection and remediation of the environment, reclamation, mine safety, toxic substances and other matters. Specifically, the Company's projects are subject to an array of applicable norms, standards, laws and regulations. The Company holds all necessary licenses, permits and registrations, including environmental licenses and water permits, to carry out its planned current exploration activities at Iska Iska.

Compliance with applicable environmental laws and regulations increases costs and may cause delays in planning, designing, drilling and developing the Company's projects. The Company attempts to diligently apply technically proven and economically feasible measures to advance protection of the environment throughout the exploration and development process, however it is often impossible to anticipate and mitigate all administrative delays.

Employees and Consultants

The Company maintains a head office in Toronto, Canada, and regional offices in Lima, Peru and Tupiza, Bolivia. As of July 29, 2022, the Company engaged the services of five consultants and employees in its Toronto office and one employee in Peru and nine employees in Bolivia. As operations require, the Company also retains geologists, engineers and other consultants on a short term or per diem basis in Toronto and in the field in Bolivia and Peru, as well as temporary workers.

Foreign Operations

The Company's only material mineral property is located in Bolivia and its operations are substantially carried out in that country. The Company's La Victoria property is located in Peru. See ITEM 7: "*Risk Factors*" below.

ITEM 6: MATERIAL MINERAL PROJECT

6.1 Iska Iska Project

The Company's only material mineral project is the Iska Iska Project. The following is a reproduction of the summary from the NI 43-101 technical report of Micon International Limited titled "*Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia*", with

an effective date of March 31, 2022 and dated May 1, 2022 (the “**Iska Iska Technical Report**”), a copy of which report is available under the Company’s filings on SEDAR at www.sedar.com. Refer to the Iska Iska Technical Report for further particulars with respect to the exploration and diamond drilling completed by Eoro at Iska Iska to the end of March 2022. The Iska Iska Technical Report is incorporated by reference into this AIF. Readers are cautioned that the following summary should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Iska Iska Technical Report, and this summary is qualified in its entirety by the Iska Iska Technical Report.

Charley Murahwi, MSc., P.Geo., FAusIMM and Richard Gowans, P.Eng. of Micon International Limited, and William N. Pearson, Ph.D., P.Geo., FGC, who is Executive Vice President, Exploration of the Company, were the “qualified persons” (within the meaning of NI 43-101) under the Iska Iska Technical Report.

Since the effective date of the Iska Iska Technical Report (March 31, 2022) to the date of this AIF, Eoro has announced assay results from 14 additional diamond drill holes from its ongoing drilling program at the Iska Iska Project. These assay results are included in material change reports of the Company dated July 29, 2022, May 30, 2022 and May 4, 2022 (the “**MCRs**”), copies of which reports are available under the Company’s filings on SEDAR at www.sedar.com. Each of the MCRs is incorporated by reference into this AIF. Overall, the Company has completed 64,573 metres in 102 drill holes to July 21, 2022 at Iska Iska, including four holes in progress.

Reproduction of Summary from the Iska Iska Technical Report Dated Effective March 31, 2022

“Authorization and Purpose

Eoro Resources Ltd. (Eoro) has retained Micon International Limited (Micon) to review exploration and drilling results on the Iska Iska polymetallic Project (Iska Iska or the Project) in southwestern Bolivia, and to prepare a Technical Report as defined in the Canadian Securities Administrators’ (CSA) National Instrument 43-101 (NI 43-101), in compliance with Form 43-101F1, to support its release to the public. Accordingly, the purpose of this technical report is as follows:

- To substantiate the exploration work and drilling completed by Eoro to date and in so doing, to ensure that investors/shareholders gain an independent interpretation of the results thus far.
- On the basis of the interpretation, to recommend a program of work leading to a maiden mineral resource estimate.
- To support documents, which may be required by the Canadian regulatory authorities, such as the filing of Annual Information Forms (AIF).
- To support future financing efforts by Eoro.

In the latter case, it is understood that Eoro is filing a base shelf prospectus to provide the company with greater financial flexibility, necessitating an update of the previous April 2020 Technical Report.

The Project comprises a silver-tin polymetallic (Ag, Sn, Au, Pb, Cu, Bi, Zn, In) porphyry-epithermal complex. Since the April 2020 Technical Report, Eoro has completed detailed geophysical investigations and about 48,300 m of diamond drilling in 82 drill holes which have returned positive results. It should be noted that In (Indium) is a difficult and expensive element to analyze for. Sufficient analyses were done in the early drill holes to confirm that In is present. Mineralogical and metallurgical work have confirmed the In is associated with sphalerite. It is an important added component to any zinc concentrate that is produced. This report supports the public disclosure of the interpretation of the exploration results thus far, and details Eoro’s next exploration phase leading to the estimation of mineral resources. The effective date of this report is March 31, 2022.

Project Description and Land Tenure

Location and Land Tenure

The Project is in the Sud Chichas Province of the Department of Potosi, southern Bolivia, approximately 48 km north of Tupiza city (Figure 1.1). It is within the Porvenir Concession which is comprised of 36 cuadrículas totaling 900

hectares (ha). “Cuadrícula” is the current mining measure unit, which is an inverted pyramid with the inferior vertex pointing to the earth’s core, with a surface area equal to 25 ha.

The property is centred on Universal Transverse Mercator coordinate system, World Geodetic System 1984, Zone 20K, 205,500 meters (m) East and 7,655,500 m North. Access is by road from Tupiza requiring 4-wheel drive vehicles, a journey taking 1.5 to 2 hours, depending on weather conditions.

Empresa Minera Villegas SRL, a Bolivian Mining Company, is the title holder of the Porvenir Concession/Iska Iska Project. It holds a Special Transitory Authorizations (STAs) to develop its mining activities in accordance with the legal articles described in Section 4.4.

Figure 1.1
Location of Iska Iska Project



Source: Eloro 2022.

Underlying Agreements

Eloro, through its 98% owned Bolivian subsidiary Minera Tupiza SRL, signed a definitive agreement with Empresa Minera Villegas SRL on January 9, 2020, granting Eloro the option to acquire a 99% interest in the Iska Iska property.

Pursuant to the definitive agreement and receipt of all the required regulatory approvals, Eloro has issued 500,000 common shares to Empresa Minera Villegas SRL and has the option of paying US\$10 million to that company, within 4 full years of the date of the agreement. During the 4-year option period, Minera Tupiza S.R.L. will undertake an exploration and development program on the property.

On October 5, 2021, Eloro announced that it had advanced a US\$3 million payment towards the property option payment.

Minera Tupiza S.R.L. will conduct its work under the auspices of Empresa Minera Villegas SRL (Title Holder), which holds Special Transitory Authorizations (STAs) to develop its mining activities, in accordance with the Bolivian mining law.

Geology and Mineralization

The Iska Iska deposit is in the southwest part of the Eastern Cordillera geological province of Bolivia, which is endowed with several major/world class polymetallic mines and mineral deposits including Chorolque, Silver Sand, San Bartolome, Pulacayo, San Cristobal, San Vicente, Tasna, Choroma, Siete Suyos and Cerro Rico de Potosi.

Geology

Iska Iska is classified as a porphyry-epithermal deposit (Bolivian type), whose mineralizing sequence/events commenced with a xenothermal high temperature pulse (Sn, W, Bi) characterized by the mineralogical paragenetic association: quartz, pyrite, cassiterite, rutile and tourmaline, which was superimposed by a later epithermal low temperature phase (Ag, Zn, Pb, Cu, Au), with minerals such as sphalerite, galena, chalcopyrite, pyrite, quartz, alunite and silver sulphides, thus culminating in a polymetallic telescoped mineralized system.

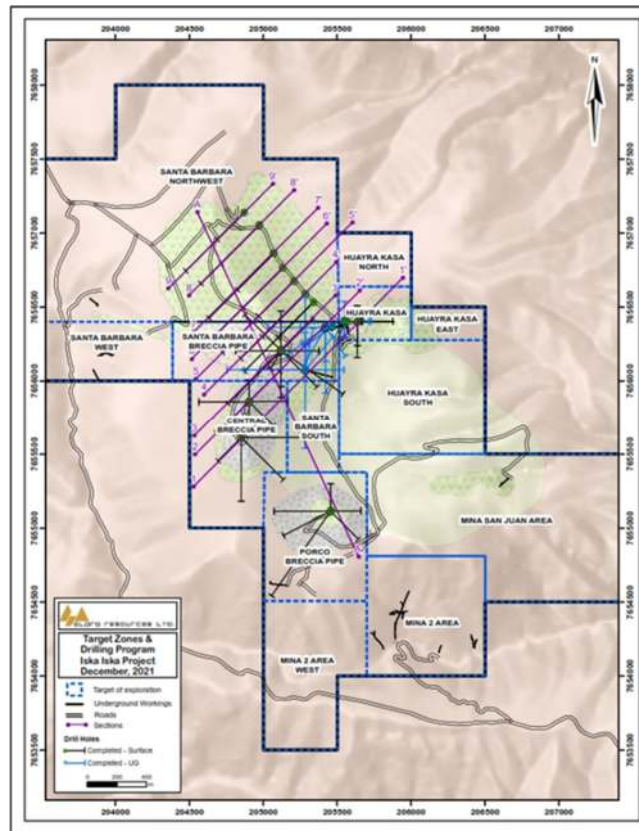
The high temperature mineralizing event was developed mostly in the granodiorite and in the early and late intrusion breccia, whereas the low temperature phase was deposited in the overlying dacitic domes, whose conduits were later affected by phreatic and phreatomagmatic explosions and brecciation, where it was redeposited in favourable lithological-structural traps including large breccia pipes, which are highly permeable structures.

Intrusive breccias related to Andean tectonism remobilized the pre-existing mineralization (Sn, Zn, Pb, Ag, Cu, Bi, etc.) and redeposited it across all the rock types within the project area. The final late stage of the mineralization event is related to a process of selective or total replacement of both clasts and matrices predominantly by Ag, Pb, Zn, Fe sulphides.

Mineralization

A total of six major mineralized targets and seven potential prospects have been identified throughout the Property to date (see Figure 1.2). The six mineralized zones are Santa Barbara NW Zone, Santa Barbara Breccia Pipe, Huayra Kasa Breccia Pipe, Central Breccia Pipe, Porco Breccia Pipe Zone, and Mina 2 Zone; they were recognized by geological mapping, drilling, underground channel sampling and magnetic surveys. The prospects thought to have economic potential are Huaya Kasa North, Huayra Kasa East, Huayra Kasa South, Santa Barbara West, Santa Barbara South, Mina 2 Area and Mina San Juan Area.

Figure 1.2
Iska Iska Mineralized Targets



Source: Eloro, 2022.

Santa Barbara NW Zone

The main mineralization at the Santa Barbara NW zone is hosted in both the dacitic dome and the intrusion breccia. It can be classified as xenothermal (Sn, Bi) and epithermal (Cu, Pb, Ag, Zn, Au). It is located principally in the sulphides zone, between 300 m to 500 m in depth.

Mineralization occurs in vein breccias, veins, veinlets, stockworks, disseminations and replacements in argillized and alunitized rocks.

Santa Barbara Breccia Pipe Zone

The mineralization at the Santa Barbara breccia pipe extends 300 m to 500 m vertically. It is polymetallic and telescoped (xenothermal overprinted by epithermal phases).

Mineralization (Pb, Zn, ±Au) in the phreatomagmatic breccia, occurs mostly on the eastern half. The Ag, Sn mineralization occurs along the ring fracture of the collapsed caldera. Similarly, the early intrusion breccia is mineralized with Zn, Pb, Au, Sn, whose values increase near the contact with the phreatomagmatic breccia.

Huayra Kasa Breccia Pipe mineralization

The mineralization in the Huayra Kasa breccia pipe shows epithermal characteristics and occurs mainly in the lithological-structurally controlled sulphide zone. To the west, the volcanoclastic dacite reveals strong anomalies of Zn, Pb, Ag and Au traces. To the southeast, in the phreatic breccia, a similar geochemical signature was identified.

Central Breccia Pipe mineralization

The northern part of the Central Breccia where it is in contact with the Santa Barbara Breccia, shows Ag and Sn mineralization. Towards the southeast it is anomalous in Pb and Zn, which suggests an overprinting between xenothermal-epithermal phases. Mineralization occurs as breccia veins, veinlets, replacements, and disseminations, which are enriched in metals in the brittle deformed sectors mainly on the northwest of the Central Breccia.

Porco Breccia Pipe Zone mineralization

The Porco sector shows interesting, mineralized zones with anomalous Ag, Sn, Zn and Cu values, as in the contact zone between the distal intrusion breccia and the intrusive breccia, where vein-breccia, veinlets, replacements, and disseminations are seen. Locally, there are weak Au anomalies in the dacitic unit.

There is a possibility of encountering tin mineralization at depth, based on the results of a recent magnetometry survey that revealed a strong magnetic anomaly to the southwest of Porco, which might be related to a tin porphyry.

Mina 2 Zone mineralization

The mineralization in this zone reveals a strong structural control, and is comprised of Pb, Zn, Ag and Sn, mainly in fault-vein-breccias. The identified minerals are galena, sphalerite, silver sulphides, pyrite, chalcopyrite, arsenopyrite, siderite, quartz, tourmaline, limonite, jarosite and alunite. Thus, it is polymetallic/telescoped, denoting a xenothermal-epithermal overprinting.

San Juan Zone mineralization

To date, the information on the mineralization in this zone is based on the observations at the San Juan Adit and the neighbouring areas, where the main mineralized structures comprised of iron oxide, Pb, Zn and Ag sulphides, follow a predominant NW-SE orientation. Mineralization is hosted in vein breccias, veinlets, veinlet swarms and intrusive breccias with quartz-tourmaline.

Status of Exploration

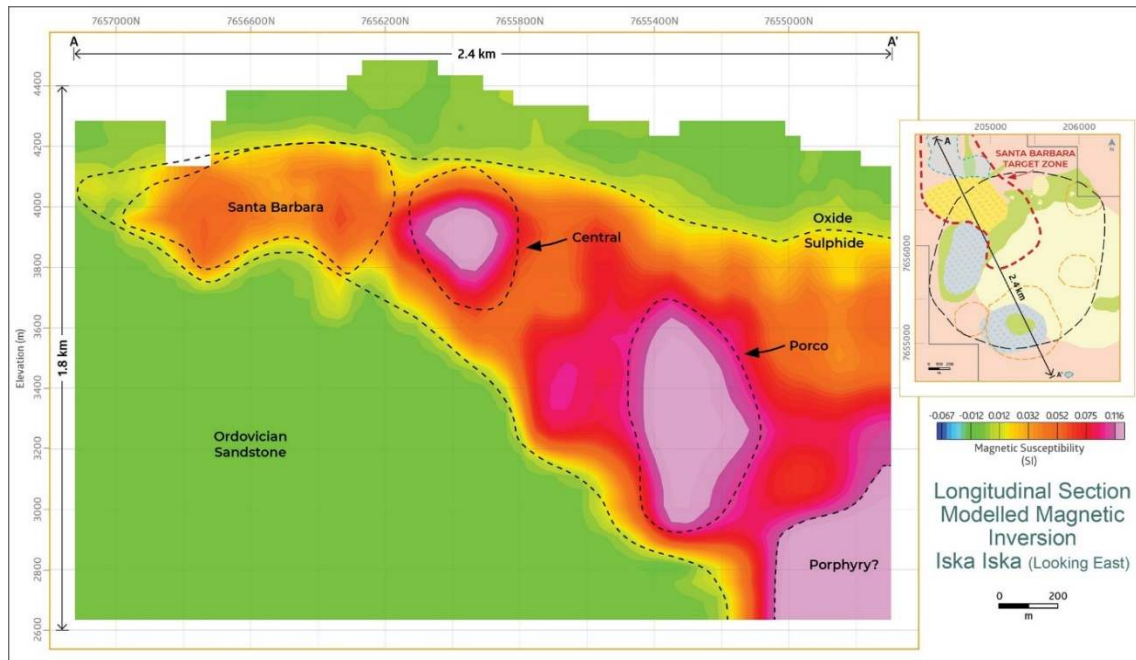
Geological Activities

Mapping at surface and in underground workings is complete. Underground channel sampling is complete but additional sampling may become necessary after pending results are received and reviewed. A detailed structural interpretation is in progress.

Geophysics

Ground magnetics is complete and is helping to define the geometry of the mineralization envelope. Inverse 3D magnetic susceptibility modelling confirmed the Santa Barbara/Porco Breccia targets and revealed a strong magnetic anomaly southwest of Porco (see Figure 1.3) which could be related to a deep-seated tin porphyry. Downhole IP surveys are in progress as drilling continues.

Figure 1.3
Inverse 3D Magnetic Susceptibility Model Section Looking NE – Azimuth 154 Degrees



Source: Intelligent Exploration, 2022.

Diamond Drilling

Reconnaissance drilling is partially complete as only 1/3 to 1/2 of the area has been tested.

Resource definition drilling is in progress in the Santa Barbara resource target zone.

Assays for more than 10 completed drill holes are awaited.

The initial metallurgical drill holes are complete.

Metallurgical Testwork

Preliminary metallurgical investigations have been completed on samples selected from the exploration drilling. This work includes a program of scoping level tests undertaken in 2021 by the Mineral Concentration Laboratory of the National Faculty of Engineering of the Technical University of Oruro (UTO) and a preliminary testwork program currently ongoing at Blue Coast Metallurgy and Research (BMR) based in Parkville, British Columbia.

The UTO 2021 testwork used eight (8) composite samples assembled from early-stage resource definition drilling, selected to represent oxide and sulphide mineralization from the property. These early-stage drilling samples from these mineralized areas contained relatively low amounts of tin and therefore the conceptual testwork program was focussed on other valuable components particularly silver, zinc and lead. The objective of this preliminary metallurgical testwork was to develop an early-stage conceptual understanding of the metallurgy. Several open circuit flotation tests were completed using each composite sample and the results provided a useful insight to the metallurgy of the Iska Iska project.

The preliminary results from the ongoing testwork program at BMR confirmed the general response of lead, zinc and silver to flotation. Three representative metallurgical composite samples were selected from existing exploration drill core for this phase of work, these samples represented mineralized breccia (drill hole DHK-15), mineralized dacitic envelope (drill hole DHK-18) and tin-rich mineralized zone (drill hole DSB-06).

Early test results show lead and zinc rougher recoveries into the lead and zinc rougher concentrates for composite DHK-15 of around 88% Pb and 85% Zn, respectively. For composite DHK-18 the rougher recoveries have reached 79% for both Pb and Zn. Total combined silver recoveries have been over 90% for both composites with most of the silver reporting to the lead rougher concentrate.

Additional rougher and cleaner flotation optimization tests are planned to investigate reagent dosages, primary grind size, retention times and regrind requirements. This work will continue into April and May 2022.

Preliminary tin recovery testwork will be undertaken using composite sample DSB-06. The program will include conceptual gravity amenability tests on various size fractions as well as preliminary flotation testwork. This work is planned for the second quarter 2022.

Other ongoing work included in this phase of testwork includes detailed mineralogical characterization studies, preliminary comminution test and tailings characterization tests.

Mineral Resource

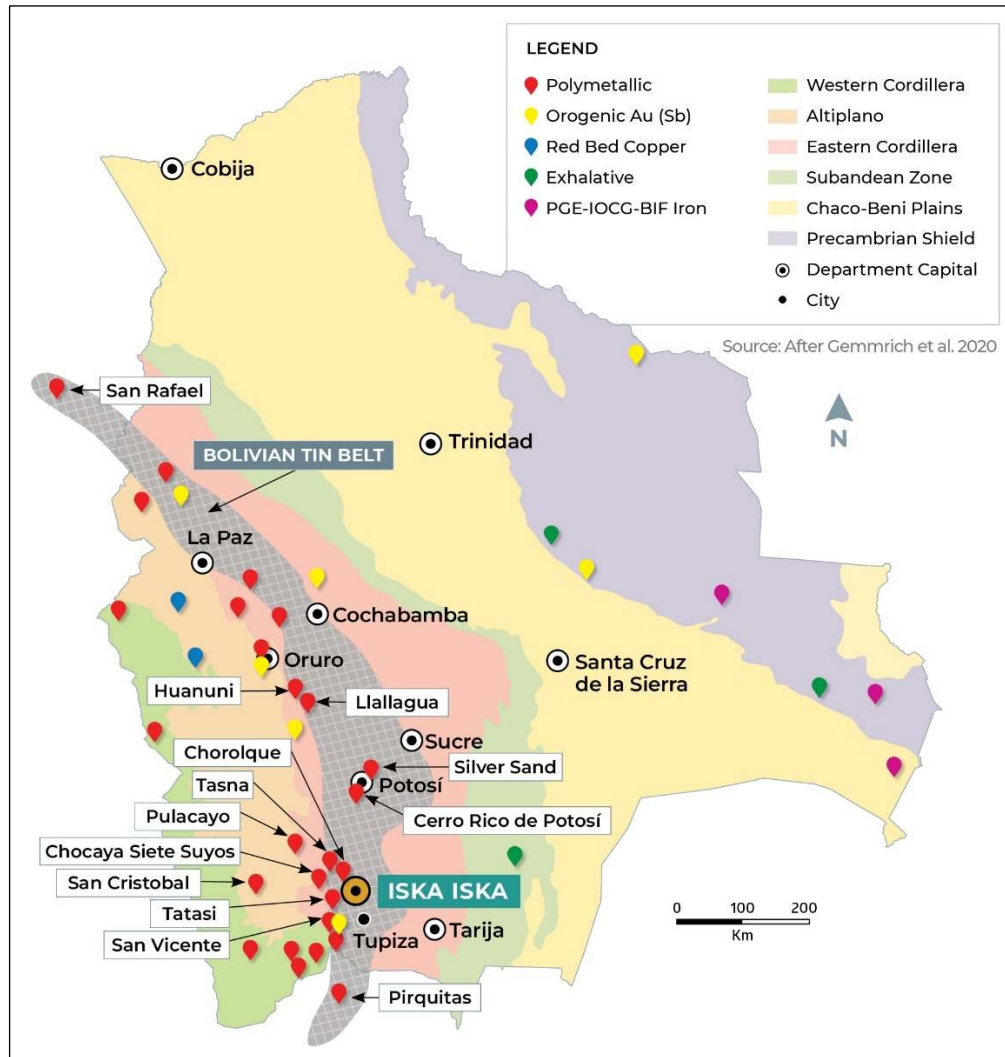
Modelling and resource delineation drilling are in progress.

Interpretation and Conclusions

Geological Setting

The potential of the Iska Iska Project is unquestionable in terms of its regional geological setting. As shown in Figure 1.4, it is in the midst of a proven metallogenic district with well-established world-class mines such as Cerro Rico de Potosi, Chorolque, and San Vicente.

**Figure 1.4
Location of Iska Iska Within the Western Cordillera Metallogenic District**



Source: Gemmrich et al., 2020.

The fact that nearby mines of the Bolivian polymetallic type are operating profitably, is positive for the current drill definition and metallurgical investigations at Iska Iska.

Scale of Mineralization

The area tested by drilling measures 2.72 km x 1.62 km as shown above in Figure 1.1. The drilling success rate is 100%. As of March 31, 2022, Eloro had completed 48,300 m of diamond drilling in 28 underground drill holes and 54 surface holes. It is remarkable that all holes drilled intersected reportable mineralization (Table 10.15 through Table 10.19), providing indisputable evidence for an extensively developed mineralizing system. Whilst this is reassuring to Eloro, it has delayed resource definition drilling as the optimum limits of mineralization in the project area remain undetermined.

The mineralization remains open in all directions and at depth. The deepest hole is about 1 km. Based on assays received to date, the best mineralization in terms of grade (Table 1.3) and widths (Figure 1.12 below under sub-section 1.8.2.2) is within the Santa Barbara area.

Lithology and Alteration Controls

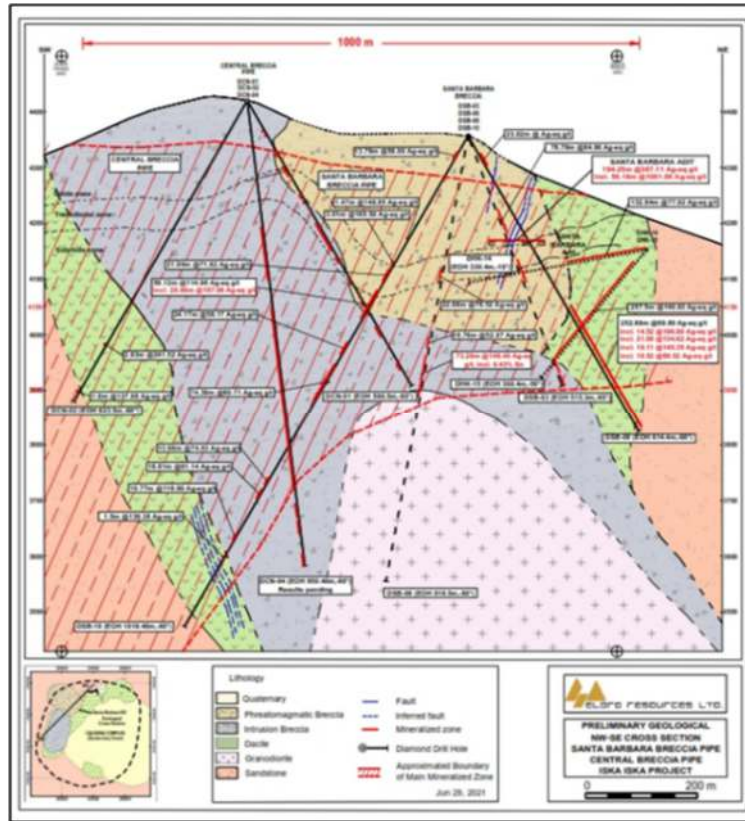
Although the main targets for exploration are the breccia pipes, analytical results to date indicate that there is little, if any, definitive lithological control to the mineralization as revealed in Figure 1.5 which demonstrate that the mineralization occurs in all rock types. Thus, all geologic settings, either in or out of the breccia pipes, can be considered prospective. In fact, the best intersections to date have been encountered within dacitic rocks.

**Table 1.1
Santa Barbara Area Most Significant Grades Intersections Sorted by AgEq g/t**

No.	Hole No.	Target Area	From (m)	To (m)	Length (m)	Ag g/t	Au g/t	Zn %	Pb %	Cu %	Sn %	Bi %	Cd %	Ag eq g/t
8	DHK-20	SB DHK UG	139.35	192.55	53.20	70.54	0.02	2.31	2.74	0.02	0.04	0.001	0.008	293.32
17	DSB-06	SB Surface Radial	402.48	475.77	73.29	5.99	0.03	0.02	0.00	0.01	0.43	0.001	NA	262.40
23	DSBU-01	SB Adit UG	0.00	82.74	82.74	39.58	0.10	0.11	1.04	0.26	0.20	0.008	0.005	239.72
9	DHK-21	SB DHK UG	168.85	362.99	194.14	36.53	0.02	1.63	1.20	0.01	0.10	0.002	0.008	214.69
31	DSB-25	SB NW EXT	356.93	439.04	82.11	25.01	0.11	0.01	0.03	0.13	0.25	0.031	0.001	205.13
25	DSBU-03	SB Adit UG	418.80	479.3	60.50	1.79	0.05	0.02	0.06	0.09	0.28	0.083	0.005	197.61
21	DSB-10	SB Surface Radial	322.18	378.30	56.12	2.43	0.02	0.00	0.00	0.00	0.33	0.001	0.001	195.72
3	DHK-15	SB DHK UG	0.00	257.50	257.50	29.53	0.08	1.45	0.58	0.08	0.06	0.006	0.008	184.97
32	METSBUG-01	SB MET	0.00	351.00	351.00	29.85	0.03	1.01	0.64	0.11	0.11	0.017	0.006	182.34
32	METSBUG-02	SB MET	0.00	303.05	303.05	40.16	0.06	0.51	0.41	0.09	0.13	0.006	0.004	172.43
6	DHK-18	SB DHK UG	65.14	365.91	300.75	18.37	0.02	2.14	0.67	0.03	0.05	0.004	0.015	172.18
25	DSBU-03	SB Adit UG	0.00	373.38	373.40	12.04	0.06	0.29	0.22	0.03	0.22	0.003	0.007	171.57
18	DSB-07	SB Surface Radial	236.60	360.21	123.59	35.05	0.06	0.72	0.61	0.04	0.11	0.017	0.006	165.34
22	DSB-11	SB Surface Radial	190.02	327.36	137.34	40.27	0.10	0.01	0.48	0.11	0.14	0.010	0.001	165.30
14	DSB-03	SB Surface Radial	431.31	515.30	83.99	16.49	0.01	0.86	1.35	0.02	0.06	0.002	0.002	162.84
18	DSB-07	SB Surface Radial	449.87	623.45	173.58	8.55	0.38	1.01	0.48	0.02	0.06	0.005	0.004	141.12
24	DSBU-02	SB Adit UG	1.50	116.94	115.44	10.79	0.05	0.11	0.30	0.12	0.15	0.003	0.002	133.47
10	DHK-22	SB DHK UG	117.14	318.95	201.81	3.70	0.06	1.51	0.41	0.02	0.05	0.002	0.010	123.25
11	DHK-23	SB DHK UG	58.67	247.13	188.46	38.71	0.04	0.88	0.51	0.06	0.02	0.002	0.010	121.41
2	DHK-14	SB DHK UG	0.00	121.33	121.33	21.77	0.03	0.35	0.23	0.18	0.06	0.004	0.005	107.60
22	DSB-11	SB Surface Radial	520.70	663.73	143.03	5.90	0.01	1.79	0.33	0.00	0.00	0.001	0.005	103.58
4	DHK-16	SB DHK UG	20.90	234.00	213.10	24.65	0.05	0.42	0.20	0.05	0.04	0.011	0.004	92.33
19	DSB-08	SB Surface Radial	355.12	608.02	252.89	28.32	0.04	0.65	0.32	0.01	0.02	0.007	0.003	85.26
14	DSB-03	SB Surface Radial	93.42	311.30	217.88	28.86	0.03	0.18	0.16	0.06	0.03	0.003	0.002	72.70
2	DHK-14	SB DHK UG	166.89	323.35	156.46	19.77	0.03	0.14	0.07	0.04	0.04	0.015	0.001	65.59

Ageq: See Section 10.4.1 Table 10.20 for explanation

Figure 1.5
Geological Section of the Iska Iska NW- SE



Source: Eloro, 2022.

Similar to lithology, no single hydrothermal alteration type is definitive in the identification of mineralized zones as illustrated in Table 1.2.

Table 1.2
Mineralization Vs Alteration in a Few Selected Drill Holes

ISKA ISKA					Au-AA26	Ag-OG62	Bi-OG62	Cd-OG62	Cu-OG62	Pb-OG62	Zn-OG62	ME-XRF15b	Ag eq**	Hydrothermal Alteration	
Target	Drill Hole	From (m)	To (m)	Length (m)	Au g/t	Ag g/t	Bi %	Cd %	Cu %	In g/t	Pb %	Zn %			Sn %
Santa Barbara NW Zone	DSB-20	247.56	321.21	73.65	0.071	21.79	0.0276	0.001	0.01	0.00	0.36	0.27	0.12	129.42	Weak-local propylitization, weak to moderate sericitization, weak argillization and selective-moderate silicification
	DSB-21	58.85	84.12	25.27	0.021	9.48	0.001	0.001	1.02	0.00	0.054	0.007	0.003	152.04	Weak to moderate sericitization, moderate to strong argillization, local-moderate decarbonization and alunitization
	DSB-15	293.7	304.23	10.53	0.1	9.98	0.0221	0.12	0.075	0.00	0.34	0.21	0.09	112.43	Strong sericitization, moderate to strong argillization, local alunitization and selective-moderate decarbonization
Santa Barbara Breccia Pipe	DHK-18	65.14	365.91	300.75	0.021	18.375	0.0041	0.015	0.027	0.00	0.666	2.139	0.047	129.65	Moderate to strong sericitization, weak to moderate argillization, local-moderate decarbonization and local-moderate silicification
	DHK-15	0.00	257.50	257.50	0.08	29.53	0.0064	0.0083	0.08	22.00	0.585	1.448	0.056	129.60	Moderate to strong sericitization and moderate argillization
	DSB-07	236.60	360.21	123.61	0.059	35.045	0.008	0.005	0.037	0.00	0.607	0.716	0.113	122.66	Moderate sericitization and argillization, selective-weak silicification
Huayra Kasa Breccia Pipe	DHK-05	0	11.85	11.85	6.51	31.96	0.07	0.01	0.02	22.09	0.80	1.13	0.00	588.51	Moderate sericitization and silicification
	DHK-11	83.6	89.17	5.57	6.898	25.66	0.0489	0.00	0.038	2.42	0.675	0.481	0.004	572.55	Moderate sericitization and argillization, weak-local silicification
	DHK-04	150.61	167	16.39	0.01	54.48	0.00	0.01	0.01	0.00	1.60	1.45	0.00	140.91	Moderate sericitization and strong argillization
Central Breccia Pipe	DCN-01	252.84	280.37	27.53	0.16	273.85	0.01	0.001	0.02	0.00	0.02	0.001	0.16	342.98	Selective-moderate sericitization, moderate argillization and selective-strong silicification
	DCN-04	659.55	677.00	17.45	0.22	92.21	0.06	0.00	0.30	0.00	0.04	0.04	0.25	236.96	Selective-strong decarbonization and selective-moderate argillization, moderate tourmalinization and strong silicification
	DCS-01	460.70	473.95	13.25	0.02	15.53	0.00	0.01	0.01	0.00	0.57	2.70	0.11	161.17	Moderate-local epidotization, moderate argillization, moderate-local decarbonization and moderate-local silicification
Porco Breccia Pipe Zone	DPC-01	602.34	608.40	6.06	0.14	8.83	0.00	0.00	0.02	0.00	0.10	0.41	0.09	67.08	Moderate epidotization, moderate-local propylitization, weak-local sericitization, moderate argillization and weak silicification

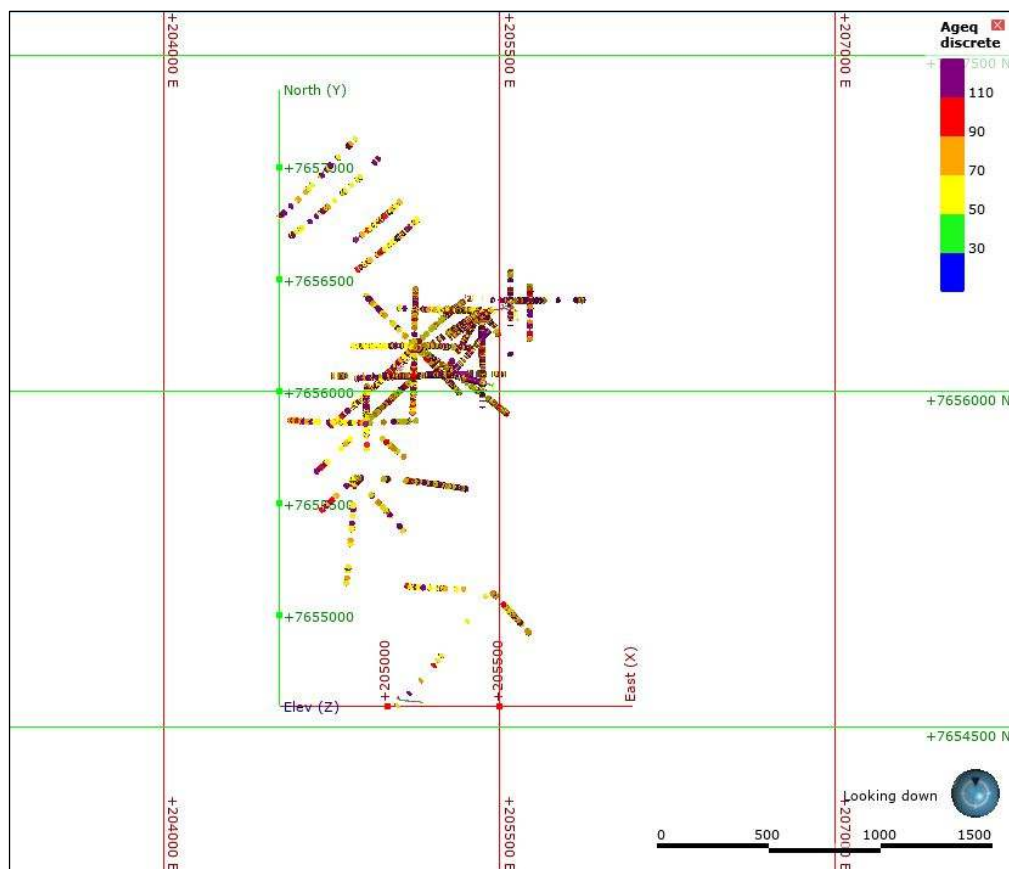
AgEq**: See Section 10.4.1, Table 10.20 for explanation.

Geometry of Deposit/Mineralization Envelope

Proximity of the deposit to surface (Figure 1.4) offers an opportunity/potential for both open pit and underground exploitation, especially in the Santa Barbara – Huayra Kasa area.

A plan view of the drilled project area with AgEq values filtered to >50 g/t AgEq (Figure 1.6 below) shows that the orientation of the mineralization envelope (at > 50 g/t AgEq) has not been established and at this stage of drilling, it does appear that the mineralization envelope is isotropic, i.e., the same in all the principal directions. Thus, it is still premature to state the main trend/alignment of the mineralization and whether or not the mineralization is likely to break-up into multiple deposits. Hence, additional drilling is required to constrain the mineralization trend(s) and also delineate an area for the initial MRE.

Figure 1.6
Plan View of the Iska Iska Drill Hole Assays at >50 g/t AgEq Threshold



Source: Generated from drill hole database by Micon QP, 2022.

Metal Distributions/Domains

Analysis of the metal distributions based on assays received to date reveals the following:

Sn subdivides the drilled area into a western domain enriched in Sn and an eastern domain devoid of Sn but enriched in Zn, Figure 1.7 and Figure 1.8, respectively; the yellow envelope in the figures (including Figure 1.9) is the mineralization wireframe at >30 g/t AgEq threshold. Note, Zn and Pb correlate moderately well.

Figure 1.7
SW – NE Section of Iska Iska Preliminary Model Showing Distribution of Sn in the Drilled Area

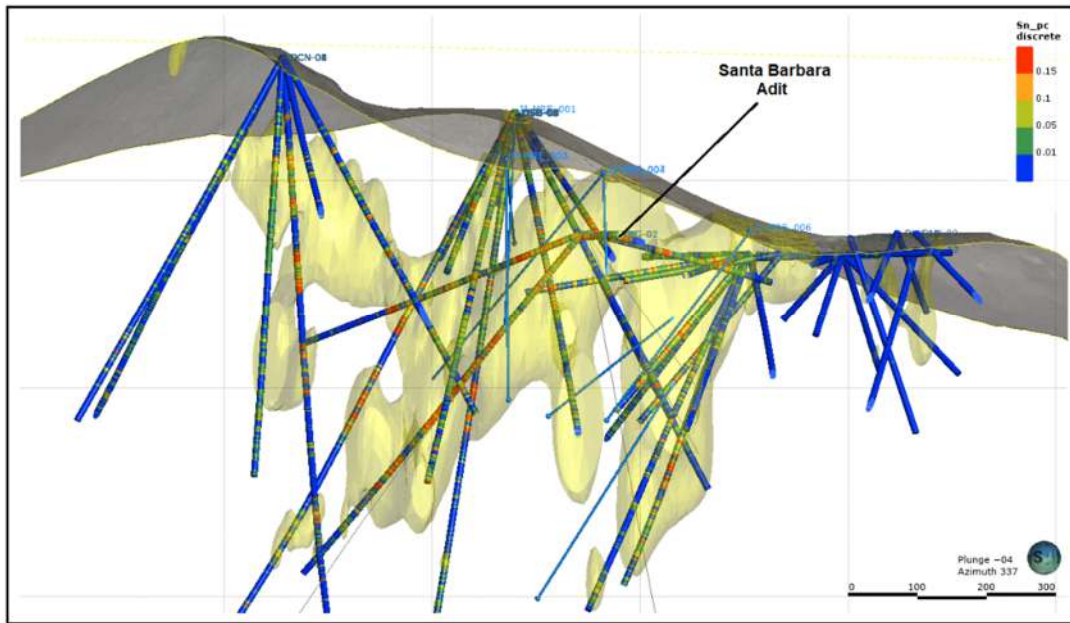
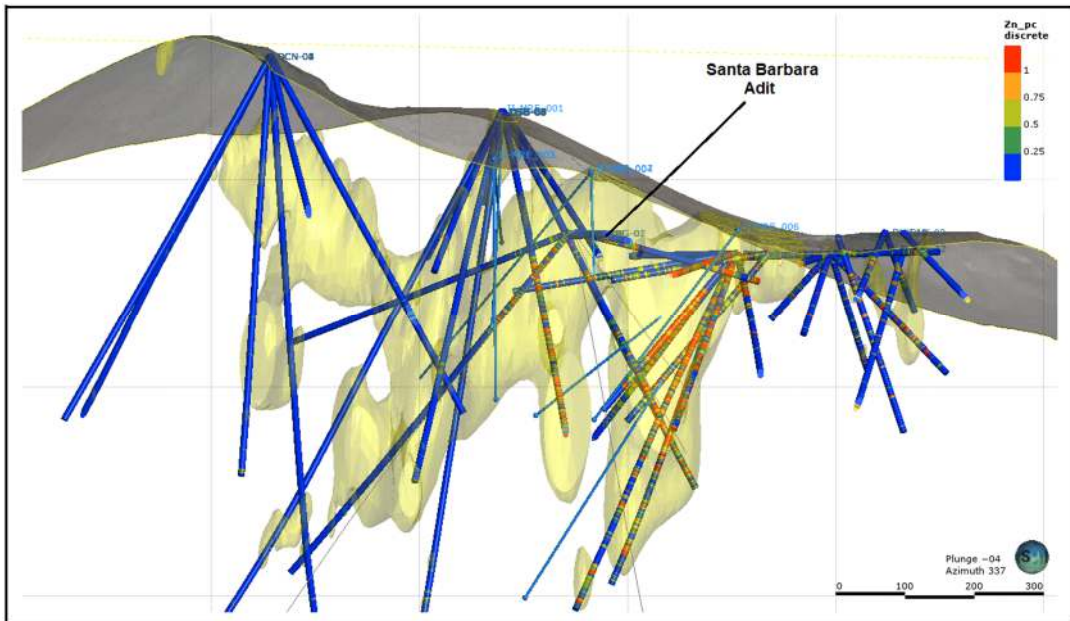
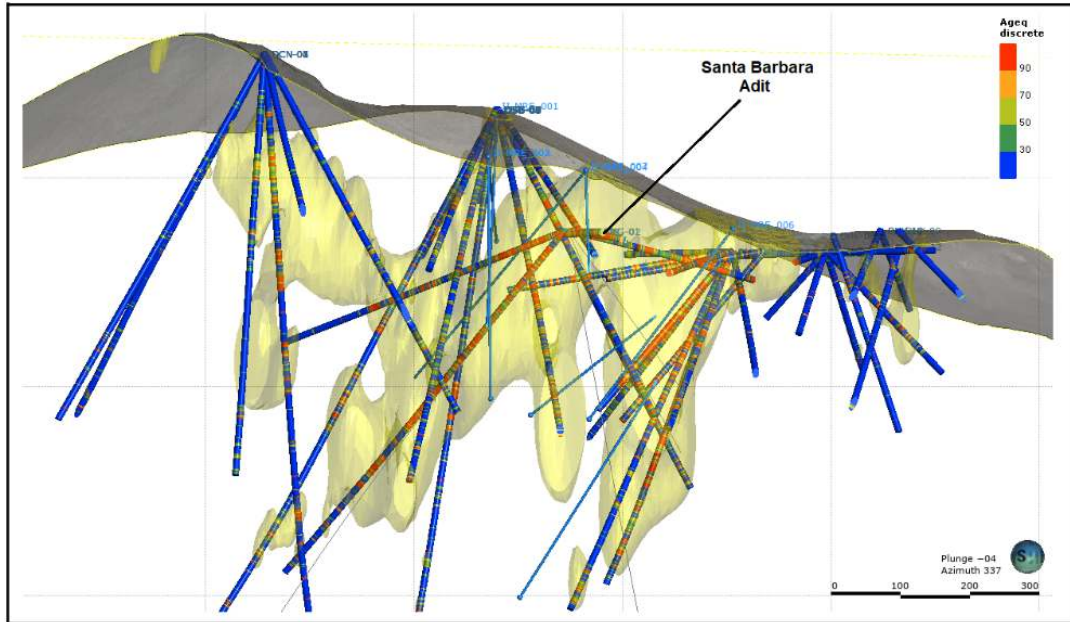


Figure 1.8
SW – NE Section of Iska Iska Preliminary Model Showing Distribution of Zn in the Drilled Area



Ag, Au and Cu are widespread in both the eastern and the western domains, but Ag high grades do not correlate well with Sn high grades. The core of the mineralization is in the Santa Barbara adit area as reflected in the coherent AgEq values in that area – Figure 1.9.

Figure 1.9
SW – NE Section of Iska Iska Preliminary Model Showing AgEq Values



These observations may change as more assays become available. It should be noted that other than domaining, Figure 1.6 through Figure 1.9 also reveal the need for infill drilling before undertaking an estimation of the mineral resource(s).

Variography/Spatial Analysis

Using data available at the end of March 2022, Micon’s QP conducted variography/spatial analysis using 5 m composite samples in order to define the continuity of the mineralization and to establish the maximum range/distance over which samples/drill hole intercepts may be correlated.

The variograms for the two key co-products (i.e., Ag and Sn) are shown in Figure 1.10 and Figure 1.11, respectively. The results of the spatial analysis indicate the following:

- Long ranges of continuity of the mineralization on a mega-scale.
- Isotropic nature of the mineralization reflecting continuity in all 3 principal directions.

Figure 1.10
Variogram of Ag Within 30 g/t AgEq Threshold Envelope

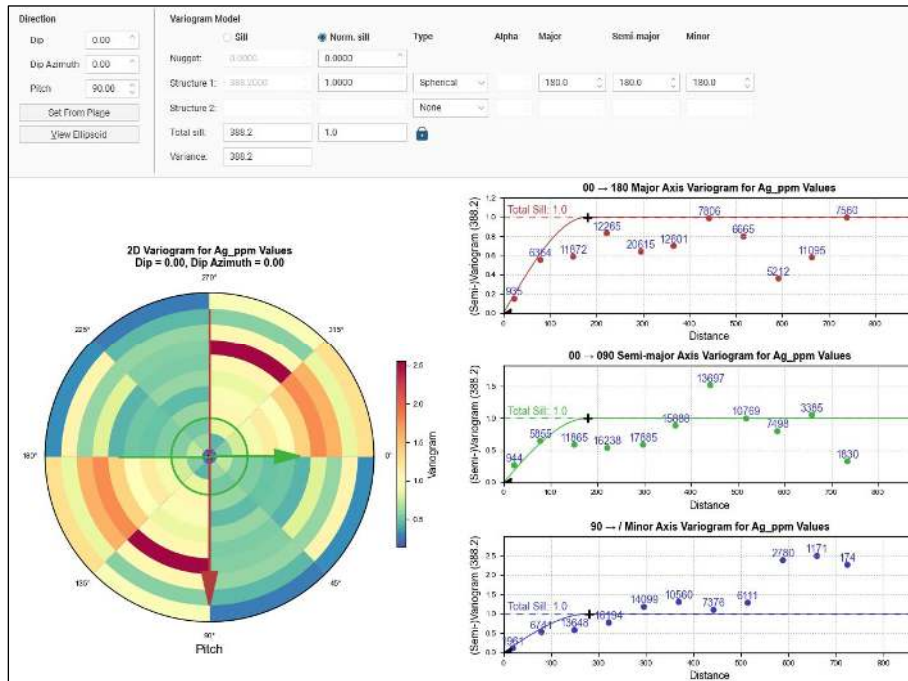
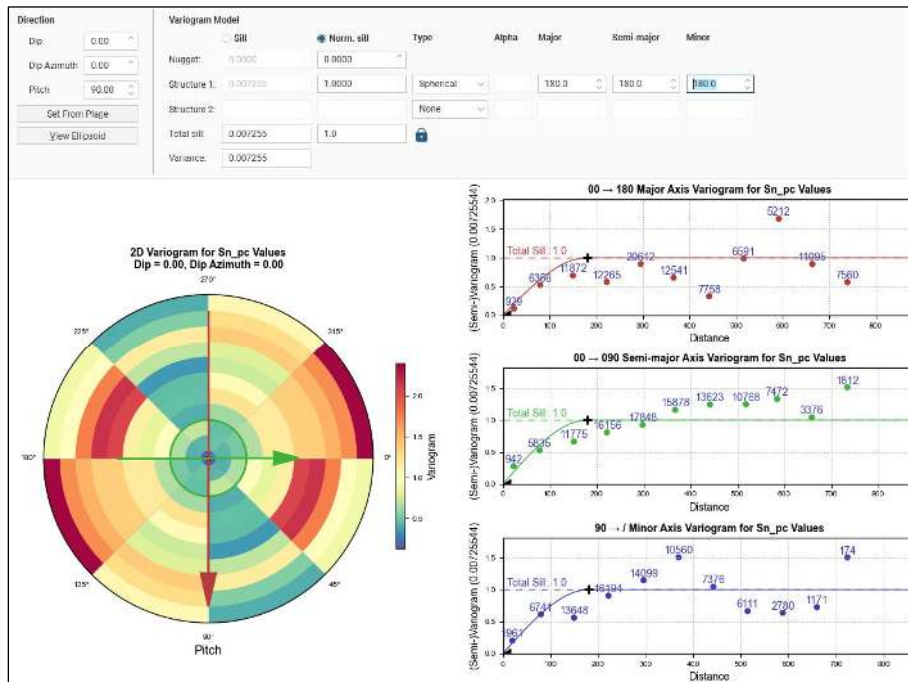


Figure 1.11
Variogram of Sn Within 30 g/t AgEq Threshold Envelope



Composite length used = 5 m.

Implications of continuity: the global range of continuity of about 180 m demonstrates that 100 m spaced holes will be adequate to define a broad resource envelope based on a 30 g/t AgEq threshold envelope. However, locally, the deposit will display variations in grades as a consequence of polyphase deformations/brecciations and xenolithic

inclusions. This is consistent with porphyry – epithermal deposits. Thus, an infill drill program is recommended before embarking on mineral resource estimation(s).

Synchrotron Investigations

The investigations to date have indicated that cassiterite (SnO₂) is the principal Sn mineral. A full report is in Appendix I. This gives optimism for the tin recovery investigations currently being undertaken at BMR.

Geophysics

As noted in Section 1.4, geophysics is making significant contributions in the development of the Iska Iska Project. Highlights from this work are as follows:

- Magnetic susceptibility correlates strongly with mineralization and unmineralized host rocks are generally non-magnetic, regardless of differing lithologies.
- Chargeability is closely associated with mineralization.
- The bulk of the magnetic susceptibility lies below the elevation sampled during the 2021 drilling of the Central and Porco breccia pipes. Radial drilling from the Porco collar position stops above the magnetic susceptibility solid. Deeper holes DPC-07 and DPC-08 were planned to test the volume indicated by the magnetic susceptibility model. DPC-09 and DSBU-07 are planned to test deeper in the model from the Santa Barbara underground and DM2-01 is planned to take advantage of a collar position at a much lower altitude on the surface near the Minas Dos adit.
- The continuity of mineralization implied by the profiles of Mx and conductivity along the Santa Barbara holes and the correlations of these data between holes lend confidence to the idea that mineralization is continuous throughout the volumes between the drill holes. This confidence will increase as more drill holes are added to the BHIP database.

Overall Conclusions

Geological mapping, geophysical surveys, and diamond drilling have revealed a potentially large deposit of significance but yet to be converted into a resource. So far, the mineralization/deposit is isotropic, lacking any preferred alignment; this is corroborated by variography and downhole IP surveys.

All holes drilled across the project to date display intervals of alteration and significant mineralization, and the limits of the system have not yet been delineated. The deposit is wide open for expansion in all directions.

The “epicentre” of mineralization appears to be in the Santa Barbara adit area, where the highest grades and widest widths have been encountered to date. Therefore, resource development and expansion should radiate outwards from here.

While there is no assurance that all or any of the reported concentrations of metals will be recoverable, Bolivia has a long history of successfully mining and processing similar polymetallic deposits which is well documented in the landmark volume “Yacimientos Metalíferos de Bolivia” by Dr. Osvaldo R. Arce Burgoa, P.Geo. Furthermore, the fact that nearby mines of the Bolivian polymetallic type are operating profitably, is positive for the current drill definition and metallurgical investigations at Iska Iska.

The work completed and the results obtained to date are sufficient to justify mineral resource delineation drilling, to run concurrently with the ongoing exploration drilling to define the optimum limits of mineralization within the project area.

Recommendations

General Statement

Eloro’s nearer term objective is a maiden mineral resource estimate within this large target area. This work is advancing well with the initial mineral resource targeted to be completed in Q3 2022. Exploration drilling is also planned on other major targets in the Iska Iska Caldera Complex including the Porco and Mina 2 areas. Accordingly,

Micon recommends a two-pronged approach for Eloro to achieve its objectives, namely an initial phase of geophysics and additional delineation drilling followed by a second phase of resource expansion and preliminary economic assessment.

Recommended Work

Geophysics

The magnetic susceptibility model has been successful in locating concentrations of mineralization that are now being drill tested. Because of the chaotic nature of the lithological variation in explosively emplaced breccias the magnetic susceptibility model may offer one of the better guides for drilling.

The magnetic susceptibility model should be calibrated against “kappa-meter” profiles of as much core as possible and in turn the magnetic susceptibility and BHIP profiles should be cross-correlated with profiles of the sulphide percentage for each drill hole.

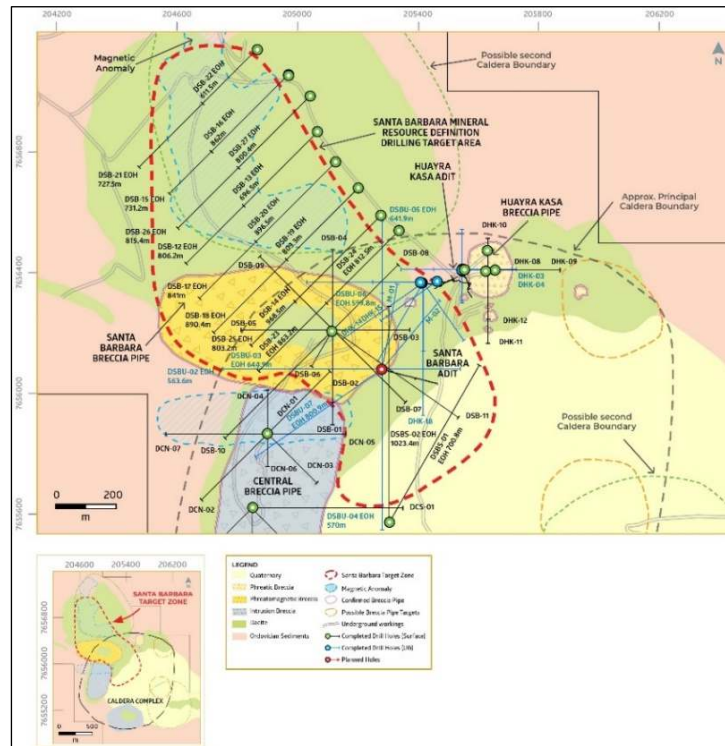
Appropriate sections through the magnetic susceptibility model should be displayed to compare proposed drill trajectories with the implied distribution of mineralization. The locations of model susceptibility maxima are more important for drill targeting than the model’s solid volumes because model volumes can be influenced by arbitrarily chosen cut-off values.

BHIP can be used to gauge the off-hole extent of mineralized volumes, particularly once additional holes can be added to constrain 3D inverse models of conductivity and chargeability. It is recommended that BHIP surveys become a standard practice for as many Iska Iska drill holes as possible.

Phase 1 – Resource Definition

To facilitate resource definition and development, Eloro has portioned the project area into zones as shown previously in Figure 1.2. Micon concurs with this strategy and especially, the fact that the Santa Barbara area (Figure 1.12) has been prioritized because it is the best-known area of the deposit and has the richest and widest drill intersections to date – see Table 1.1 above and Table 1.3 below.

Figure 1.12
Santa Barbara Mineral Resource Block



Source: Eloro, 2022.

Table 1.3
Santa Barbara Area Most Significant Widths of Mineralization Sorted by Length/Width

No.	Hole No.	Target Area	From (m)	To (m)	Length (m)	Ag g/t	Au g/t	Zn %	Pb %	Cu %	Sn %	Bi %	Cd %	Ag eq g/t
25	DSBU-03	SB Adit UG	0.00	373.38	373.40	12.04	0.06	0.29	0.22	0.03	0.22	0.003	0.007	171.57
32	METSBUG-01	SB MET	0.00	351.00	351.00	29.85	0.03	1.01	0.64	0.11	0.11	0.017	0.006	182.34
32	METSBUG-02	SB MET	0.00	303.05	303.05	40.16	0.06	0.51	0.41	0.09	0.13	0.006	0.004	172.43
6	DHK-18	SB DHK UG	65.14	365.91	300.75	18.37	0.02	2.14	0.67	0.03	0.05	0.004	0.015	172.18
3	DHK-15	SB DHK UG	0.00	257.50	257.50	29.53	0.08	1.45	0.58	0.08	0.06	0.006	0.008	184.97
19	DSB-08	SB Surface Radial	355.12	608.02	252.89	28.32	0.04	0.65	0.32	0.01	0.02	0.007	0.003	85.26
14	DSB-03	SB Surface Radial	93.42	311.30	217.88	28.86	0.03	0.18	0.16	0.06	0.03	0.003	0.002	72.70
4	DHK-16	SB DHK UG	20.90	234.00	213.10	24.65	0.05	0.42	0.20	0.05	0.04	0.011	0.004	92.33
10	DHK-22	SB DHK UG	117.14	318.95	201.81	3.70	0.06	1.51	0.41	0.02	0.05	0.002	0.010	123.25
9	DHK-21	SB DHK UG	168.85	362.99	194.14	36.53	0.02	1.63	1.20	0.01	0.10	0.002	0.008	214.69
11	DHK-23	SB DHK UG	58.67	247.13	188.46	38.71	0.04	0.88	0.51	0.06	0.02	0.002	0.010	121.41
18	DSB-07	SB Surface Radial	449.87	623.45	173.58	8.55	0.38	1.01	0.48	0.02	0.06	0.005	0.004	141.12
2	DHK-14	SB DHK UG	166.89	323.35	156.46	19.77	0.03	0.14	0.07	0.04	0.04	0.015	0.001	65.59
22	DSB-11	SB Surface Radial	520.70	663.73	143.03	5.90	0.01	1.79	0.33	0.00	0.00	0.001	0.005	103.58

No.	Hole No.	Target Area	From (m)	To (m)	Length (m)	Ag g/t	Au g/t	Zn %	Pb %	Cu %	Sn %	Bi %	Cd %	Ag eq g/t
22	DSB-11	SB Surface Radial	190.02	327.36	137.34	40.27	0.10	0.01	0.48	0.11	0.14	0.010	0.001	165.30
18	DSB-07	SB Surface Radial	236.60	360.21	123.59	35.05	0.06	0.72	0.61	0.04	0.11	0.017	0.006	165.34
2	DHK-14	SB DHK UG	0.00	121.33	121.33	21.77	0.03	0.35	0.23	0.18	0.06	0.004	0.005	107.60
24	DSBU-02	SB Adit UG	1.50	116.94	115.44	10.79	0.05	0.11	0.30	0.12	0.15	0.003	0.002	133.47
14	DSB-03	SB Surface Radial	431.31	515.30	83.99	16.49	0.01	0.86	1.35	0.02	0.06	0.002	0.002	162.84
23	DSBU-01	SB Adit UG	0.00	82.74	82.74	39.58	0.10	0.11	1.04	0.26	0.20	0.008	0.005	239.72
31	DSB-25	SB NW EXT	356.93	439.04	82.11	25.01	0.11	0.01	0.03	0.13	0.25	0.031	0.001	205.13
17	DSB-06	SB Surface Radial	402.48	475.77	73.29	5.99	0.03	0.02	0.00	0.01	0.43	0.001	NA	262.40
25	DSBU-03	SB Adit UG	418.80	479.3	60.50	1.79	0.05	0.02	0.06	0.09	0.28	0.083	0.005	197.61
21	DSB-10	SB Surface Radial	322.18	378.30	56.12	2.43	0.02	0.00	0.00	0.00	0.33	0.001	0.001	195.72
8	DHK-20	SB DHK UG	139.35	192.55	53.20	70.54	0.02	2.31	2.74	0.02	0.04	0.001	0.008	293.32

Ageq: See Section 10.4.1 Table 10.20 for explanation.

Based on the fact that the project area is a well-preserved volcanic edifice extending about 1 km from its base to the Iska Iska hill combined with the interpretation of current data, the resource will likely be divided into a westerly, deeper-seated Sn dominant/rich domain and an easterly multi-metal Sn-Ag-Pb-Zn-Au domain. Infill drilling radiating from the Santa Barbara area, is required to define the two domains with better precision and also to probe for their extensions at depth. Concurrently with infill drilling, there is need for Eloro to carry onto completion the metallurgical tests in progress at BMR. The proposed activities and budget for this phase are shown in Table 1.4.

Table 1.4
Phase 1 Proposed Activities and Budget

Phase I – Program		USD	
Item	Qty	Unit Price	Subtotal
Drilling ¹ x 1m	15,000	240	3,600,000
Metallurgical Testing	1	100,000	100,000
NI43101 Report - Inferred Resource Estimate	1	100,000	100,000
Other Iska Logistical Expenses ²	1	50,000	50,000
Environmental Studies	1	50,000	50,000
Geophysics Iska	1	50,000	50,000
Community Relations Projects	1	50,000	50,000
		Total (USD):	4,000,000
		Total (CAD)³:	5,000,000

¹ Includes Bolivia Corporate, Salaries, Sample analyses & Logistics expenses.

² Iska equipment & related services purchased outside Bolivia.

³ USD/CAD Exchange Rate = 1.25.

Phase 2 – Resource Expansion and Preliminary Economic Assessment Activities

This phase is contingent upon obtaining successful/encouraging results from Phase 1. The planned activities will expand the resources, define the broader limits of the mineralization envelopes and at the same time lay the ground for engineering studies and other requirements to move the project to PFS level. For this phase, Eloro has budgeted US\$50 million split as summarized in Table 1.5.

**Table 1.5
Phase 2 Proposed Activities and Budget**

Phase II – Program		USD	
Item	Qty	Unit Price	Subtotal
Property Option Payments	2	2,500,000	5,000,000
Drilling ¹ x 1m	100,000	255	25,500,000
Metallurgical Testing	1	1,250,000	1,250,000
Preliminary Engineering Analysis Report	1	1,000,000	1,000,000
Office, Lab Prep & Logging Complex	1	450,000	450,000
Infrastructure improvements	1	500,000	500,000
Underground development for drilling x1m	1	500,000	500,000
Other Engineering Studies	1	250,000	250,000
Truck purchase x1	4	50,000	200,000
Other Iska Logistical Expenses ²	1	500,000	500,000
Other Iska Consultants ³	1	400,000	400,000
Environmental Studies	1	500,000	500,000
Geophysics Iska	1	500,000	500,000
Community Relations Projects	1	500,000	500,000
Contingency ~8%	1	2,950,000	2,950,000
		Total (USD):	40,000,000
		Total (CAD)⁴:	50,000,000

¹ Includes Bolivia Corporate, Salaries, Sample analyses & Logistics expenses.

² Iska equipment & related services purchased outside Bolivia.

³ Iska Administration, Accounting and Technical Consultants sourced outside Bolivia.

⁴ USD/CAD Exchange Rate = 1.25.

Micon QP Comments

Planned Activities

Micon QPs have reviewed the layout of the proposed infill drill hole (Phase 1) and the proposed resource expansion drill holes (Phase 2) on plans/sections and in the Leapfrog model. The review has confirmed the necessity of these drill holes to complete an initial mineral resource estimate and thereafter for the systematic expansion of the estimated resource.

The detailed metallurgical testing and environmental studies budgeted for, are necessary prerequisites to advanced economic studies.

Budget

Micon QPs believe that the budgets under consideration for Phase 1 and Phase 2 are reasonable and warranted and recommend that Eloro conduct the planned activities subject to availability of funding and any other matters which may cause the objectives to be altered in the normal course of business activities.

Mineral Resource Schedule/Timing

Micon's QPs have noted the following constraints that pertain to the timing of the MRE:

- The need to wait for the currently outstanding assays and validate them against QA/QC samples before proceeding with the modelling.
- The need to complete infill drilling and wait for assay results and then to complete the modelling.
- The need to wait for the completion of metallurgical tests to obtain preliminary metal recovery factors.

In view of these constraints, the QPs recommend that Eloro consider deferring the MRE to the very end of Q3 2022 or even early Q4 2022, if need be.”

[End of Summary from the Iska Iska Technical Report]

ITEM 7: RISK FACTORS

The Company’s principal activity is mineral exploration and development. Companies in this industry are subject to many kinds of risks, including, but not limited to, operational, technical, environmental, labour, social, political, security, financial, economic, and metals pricing. Additionally, often due to factors that cannot be predicted or foreseen, few exploration projects successfully achieve development. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage risks to the extent possible and practicable.

The risks and uncertainties described in this section are considered by management to be the most important in the context of the Company’s business. The risks and uncertainties below are not listed in order of importance, nor are they inclusive of all the risks and uncertainties the Company may be subject to, and therefore other risks may apply.

Nature of Mineral Exploration and Mining

At the present time, Eloro does not hold any interest in a mining property in production. Eloro's viability and potential for success lie in its ability to develop, exploit and generate revenue out of mineral deposits. The exploration and development of mineral deposits involve significant financial risks over a significant period of time which even a combination of careful evaluation, experience and knowledge may not eliminate. While discovery of a mine may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current or proposed exploration programs on exploration properties in which Eloro has an interest will result in a profitable commercial mining operation.

The operations of Eloro are subject to all of the hazards and risks normally incidental to exploration and development of mineral properties, any of which could result in damage to life or property, environmental damage and possible legal liability for any or all damage. The activities of Eloro may be subject to prolonged disruptions due to weather conditions depending on the location of operations in which Eloro has interests. Hazards, such as unusual or unexpected formation, rock bursts, pressures, cave-ins, flooding or other conditions may be encountered in the drilling and removal of material. While Eloro may obtain insurance against certain risks in such amounts as it considers adequate, the nature of these risks are such that liabilities could exceed policy limits or could be excluded from coverage. There are also risks against which Eloro cannot insure or against which it may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage or compliance with applicable laws and regulations may cause substantial delays and require significant capital outlays, adversely affecting the future earnings and competitive position of Eloro and, potentially, its financial position.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as its size and grade, proximity to infrastructure, financing costs and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting and environmental protection. The effect of these factors cannot be accurately predicted, but the combination of these factors may result in Eloro not receiving an adequate return on invested capital.

Foreign Operations, Including Emerging and Developing Market Risk

Changes in mining, investment or other applicable policies or shifts in political or administrative attitude in Bolivia may adversely affect the Company's operations and may affect the Company's ability to fund its ongoing expenditures. Regardless of the economic viability of the Company's properties, such political changes, which are beyond the Company's control, could have a substantive impact and prevent or restrict (or adversely impact the financial results

of) exploring, developing and/or mining of some or all of any deposits on the Iska Iska Project in Bolivia or other properties.

Bolivia is a mining-friendly jurisdiction with a long history of mining and an experienced labour force. The majority of the Company's operating costs in relation to Iska Iska are denominated in United States dollars and some are denominated in Bolivian boliviano. The Company has not hedged its exposure to any exchange rate fluctuations applicable to its business, and is therefore exposed to currency fluctuation risks. The Company's operations are also subject to Bolivian regulations pertaining to environmental protection, the use and development of mineral properties and the acquisition or use of rural properties by foreign investors or Bolivian companies under foreign control and various other Bolivian regulatory frameworks, as described below.

The market for securities issued by companies with significant operations in Bolivia is influenced by economic and market conditions in Bolivia and, to varying degrees, market conditions in Canada, the United States and developing countries, especially other Latin American countries. Although economic conditions vary by country, the reaction of investors to developments in one country may cause fluctuations in the capital markets in other countries. Developments or adverse economic conditions in other countries, including developing countries, have at times significantly affected the availability of credit in the Bolivian economy and resulted in considerable outflows of funds and reduced foreign investment in Bolivia, as well as limited access to international capital markets, all of which may materially adversely affect the Company's ability to borrow at acceptable interest rates or to raise equity capital when it needs to do so. In addition, a significant decline in the economic growth or demand for imports of any of Bolivia's major trading partners could have a material adverse impact on Bolivia's exports and balance of trade and adversely affect Bolivia's economic growth.

As well, because international investors' reactions to the events occurring in one emerging market country sometimes produce a "contagion" effect, in which an entire region or class of investment is disfavoured by international investors, Bolivia could be adversely affected by negative economic or financial developments in other countries.

The Company's financial condition and results of any future operations may also be materially adversely affected by any of the following factors, as well as by the Bolivian government's actions in response to them:

- currency depreciations and other exchange rate movements;
- monetary policies;
- inflation rate fluctuations;
- economic and social instability;
- energy shortages or other changes in energy prices;
- interest rates;
- disasters at third party mineral projects;
- exchange rate controls and restrictions on remittances abroad;
- liquidity of the domestic capital and lending markets;
- tax policy, including international tax treaties; and
- other political, diplomatic, social and economic policies or developments in or affecting Bolivia.

Uncertainty over whether the Bolivian federal government will implement changes in policy or regulation affecting these or other factors in the future may contribute to economic uncertainty in Bolivia and to heightened volatility in the market value of securities issued by Bolivian companies or companies with Bolivian assets.

These and other future developments in the Bolivian economy and governmental policies may adversely affect the Company.

Community Relations

The Company's relationships with the local communities in which it operates are critical to ensure the future success of its existing operations and the construction and development of properties. While the Company is committed to operating in a socially responsible manner, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Enforcement of Canadian judgments against persons or companies outside of Canada

It may be difficult for the Company or for investors to enforce judgments obtained in Canada against any person or company which is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or which resides outside of Canada, even if the person or company has appointed an agent for service of process in Canada. In particular, with the Company's only material mineral project being located in Bolivia (the Iska Iska Project), it may be difficult for the Company or for investors in Canada to enforce a judgment obtained in a Canadian court predicated upon agreements regarding, or on the civil liability provisions of applicable Canadian securities laws (or other laws of Canada) against or in respect of, the Iska Iska Project in Bolivia. There is no certainty that a judgment obtained from a Canadian court will be enforced in Bolivia by a Bolivian court.

Government expropriation may result in the total loss of the Company's mineral property interests.

Even if the Company's mineral properties are proven to host economic mineral resources, administrative refusal to register corporate transfers or mining agreements or governmental expropriation or cancellation of one or more concessions may result in the total loss of the Company's mineral property interests without any compensation to the Company. Similarly, expropriation or shutdown of financial institutions or other entities the Company does business with could impact operations. Further, expropriation of other businesses, in mining or other industries, could impact the Company's ability to operate and obtain financing, as well as its strategic options. Finally, expropriation need not be outright, there are many forms of creeping expropriation, through taxation and other mechanisms, that if applied could negatively impact the Company's operations and prospects.

Governmental regulation may have negative impacts on the Company.

The Company's assets and activities are subject to extensive Canadian and foreign federal, provincial, territorial and local laws and regulations governing various matters, including, but not limited to:

- land access, use and ownership;
- water use;
- environmental protection;
- social consultation and investment;
- management and use of toxic substances and explosives;
- rights over and management of natural resources, including minerals and water;
- prospecting, exploration, development and construction of mines, production and reclamation;
- exports and imports;
- taxation;
- mining royalties;
- importation of equipment and goods;
- transportation;
- hiring practices and labour standards by the Company and contractors, as well as occupational health and safety, including mine safety;
- reporting requirements related to investment, social and environmental impacts, health and safety, and other matters;
- processes for preventing, controlling or halting artisanal or illegal mining activities; and
- historic and cultural preservation.

The costs and efforts associated with compliance with laws and regulations are already substantial and future laws and regulations, changes to existing laws and regulations or more stringent application and enforcement of current laws and regulations by governmental authorities, could cause additional expenses, capital expenditures, delays in the development of the Company's properties, and even restrictions on or suspensions of Company operations. Moreover, these laws and regulations may allow governmental authorities and private parties to bring complaints or lawsuits against the Company based upon alleged damage to property and/or injury to persons resulting from the environmental, health and safety impacts of the Company's past and current operations, or possibly even actions or inaction by parties from whom the Company acquired its properties, and could lead to the imposition of substantial financial judgments, fines, penalties or other civil or criminal sanctions.

It is challenging to comply strictly with all of the norms that apply to the Company. The Company retains competent and trained staff, professionals, attorneys and consultants in jurisdictions in which it does business; however, there is no certainty that both it and its contractors will continuously be compliant with all applicable laws and regulations. The failure to comply with all applicable norms could lead to financial restatements, fines, penalties and other material negative impacts on the Company.

Failure to comply strictly with applicable laws, regulations and local practices may have a material adverse impact on the Company's operations or business.

While the Company seeks to fully comply with applicable laws, regulations administrative procedures and local practices, failure to comply strictly with applicable laws, regulations and local practices relating to corporate transfers, mineral rights applications and tenure could result in loss, reduction, cancellation or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests. Any such loss, reduction or imposition of partners could have a material adverse impact on the Company's operations or business. Furthermore, increasing complexity of mining laws and regulations may render the Company incapable of strict compliance.

The exploration and future development of the Company's property interests are subject to extensive laws, regulations and local practices governing health, safety, environment and communities.

The Company's exploration and mine development activities are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker and community safety, employee health, mine development, and protection of water and endangered and protected species, as well as extensive reporting and community engagement requirements. The Company's ability to obtain permits and approvals and to successfully operate in particular locations may be adversely impacted by real or perceived detrimental events associated with the Company's activities or those of other mining companies or associations, or even illegal miners affecting the environment, human health, and safety of nearby communities. Delays in obtaining or failure to secure government permits and approvals, or to secure evictions of illegal miners, may adversely affect the Company's ability to access, explore or develop its properties. The Company has made, and expects to make in the future, significant expenditures to comply with laws and regulations and to the extent reasonably possible, create social and economic benefit in nearby communities. The Company, however, may be required to remediate areas on its concessions impacted by the activities of third parties. Future changes to environmental laws, regulations and permitting processes or changes in their enforcement or regulatory interpretation could have an adverse impact on the Company's operating and financial condition.

The Company's concessions may be subject to pressure from artisanal and illegal miners

Several of the Company's concessions are located close to communities with long-standing artisanal, often illegal, mining traditions. Limited economic opportunities in these areas contribute to making mining an attractive field of work for local individuals and small associations and companies, who at times view concessions belonging to the Company as particularly attractive targets for alluvial or hard rock mining. In some cases, the local operators (occasionally financed by outsiders), having exhausted development opportunities at their current location may seek to expand or relocate their activities into areas controlled by the Company and, in other cases, illegal miners may relocate to one of the Company's concession areas in response to government pressure that has shut down their prior operations. Local and national political and regulatory authorities may come under pressure to support or not impede the ambitions of these local actors. The Company monitors local mining activities and is in regular contact with regulatory and political authorities to anticipate and manage issues as they arise, however not every incursion can be readily identified. Nonetheless, there is a risk that in the future, due to political or social factors, regulators may make decisions to grant access to artisanal miners that impact the viability of the Company's projects.

Political and economic risks associated with operations in Bolivia

The Iska Iska Project is located in Bolivia. Regardless of recent progress in restructuring its political institutions and revitalizing its economy, Bolivia's history since the mid-1960s has been one of political and economic instability under a variety of governments. Since 2006, the government has intervened in the national economy and social structure, including periodically imposing various controls, the effects of which have been to restrict the ability of both domestic and foreign companies to freely operate. Although the Company believes that the current conditions in Bolivia are relatively stable and conducive to conducting business, the Company's current and future mineral exploration and

development activities in Bolivia are exposed to various levels of political, economic, and other risks and uncertainties. These risks and uncertainties include, but are not limited to, hostage taking, military repression, extreme fluctuations in currency exchange rates, high rates of inflation, political and labour unrest, civil unrest, expropriation and nationalization, renegotiation or nullification of existing concessions, licences, permits and contracts, illegal mining, changes in taxation policies, restrictions on foreign exchange and repatriation, changing political conditions, currency controls, and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens or purchase supplies from a particular jurisdiction.

There has been a significant level of social unrest in Bolivia in recent years resulting from a number of factors, including a high rate of unemployment. Protestors have previously targeted foreign firms in the mining sector, and as a result there is no assurance that future social unrest will not have an adverse impact on the Company's operations. The Company's exploration and development activities may be affected by changes in government, political instability, and the nature of various government regulations relating to the mining industry. Bolivia's fiscal regime has historically been favourable to the mining industry, but there is a risk that this could change. In addition, labour in Bolivia is customarily unionized and there are risks that labour unrest or wage agreements may impact operations. The Company cannot predict the government's positions on foreign investment, mining concessions, land tenure, environmental regulation, or taxation. A change in government positions on these issues could adversely affect the Company's business and/or its holdings, assets, and operations in Bolivia. Any changes in regulations or shifts in political conditions are beyond the control of the Company. The Company's operations in Bolivia entail significant governmental, economic, social, medical, and other risk factors common to all developing countries. The status of Bolivia as a developing country may also make it more difficult for the Company to obtain any required financing because of the investment risks associated with it. The level of social unrest in Bolivia has increased significantly following the failed general elections held on October 20, 2019.

The Company's operations in Bolivia may be adversely affected by economic uncertainty characteristic of developing countries. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use, and safety factors.

The Company may not be able to register agreements or to obtain or renew permits that are necessary for its operations.

In the ordinary course of business, the Company is required to register agreements and to obtain new governmental permits as well as renew permits for exploration and development activities and any ultimate development, construction and commencement of new mining operations. Registering agreements and obtaining or renewing necessary permits can be a complex and time-consuming process, which at times may involve several political jurisdictions and different government agencies that may not have the necessary expertise, resources or political disposition needed for efficient and timely processing, and may require public hearings and costly undertakings on the Company's part. The duration and success of the Company's efforts to obtain and renew permits are contingent upon many variables not within its control, including the interpretation of applicable requirements implemented by permitting authorities and timeframes for agency decisions. The Company may not be able to register agreements or to obtain or renew permits that are necessary to its operations, or the cost to obtain or renew permits may exceed what the Company believes it can recover from any of its projects once in production. Any unexpected delays or costs associated with the registration or permitting process could slow exploration and/or development or impede the eventual operation of a mine, and could adversely impact the Company's operations and profitability.

The Company has no revenues from ongoing operations and failure to generate revenues in the future could cause the Company to go out of business.

The Company has no revenues from ongoing operations and has recorded significant accumulated losses. Based upon current plans, the Company expects to incur operating losses in future periods due to ongoing expenses associated with the holding, exploration and development of the Company's mineral property interests. The Company will likely continue to have limited financial resources and its ability to achieve and maintain profitability and positive cash flow will remain dependent upon the Company being able to:

- develop and/or locate a profitable mineral property;
- generate revenues in excess of expenditures; and
- minimize exploration and administrative costs in the event revenues and/or financing availability are insufficient, in order to preserve available cash.

In order to stay in business, in the absence of cash flow from operations, the Company will have to raise funding through financing activities. However, there is no certainty the Company will be able to raise funds at all or on terms acceptable to the Company in the event it needs to do so. Furthermore, additional funds raised by the Company through the issuance of equity or convertible debt securities would cause the Company's current shareholders to experience dilution. Such securities also may grant rights, preferences or privileges senior to those of the Company's shareholders.

The Company does not have any contractual restrictions on its ability to incur debt and, accordingly, the Company could incur significant amounts of indebtedness to finance its operations. Any such indebtedness could contain restrictive covenants, which likely would restrict the Company's operations.

The mineral exploration industry is intensely competitive in all its phases and the Company competes with many companies, including those possessing greater financial resources and technical capabilities.

The mineral exploration industry is intensely competitive in all its phases. The Company competes with many companies, including those possessing greater financial resources and technical capabilities, for the acquisition of mineral concessions, claims, leases, other mineral interests, and equipment required to conduct its activities as well as for the recruitment and retention of qualified employees, and contracting of attorneys, consultants and technical experts.

Even if the Company makes a discovery of commercial quantities of minerals, there is no assurance that there will be market demand for the resource and that the investment will earn an adequate return.

There is no assurance that even if commercial quantities of minerals are discovered, a ready market will exist for their sale. Factors beyond the control of the Company may affect the marketability of any minerals discovered. These factors include: market fluctuations; domestic and international economic trends and political events; inflation or deflation; currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies); interest rates and global or regional consumption patterns; speculative activities; and, government laws and regulations, including those relating to prices, taxes, royalties, land tenure, land use, labour, importing of equipment, importing and exporting of minerals, and environmental protection. The exact effect of any of these factors cannot be accurately predicted, but a combination of them may result in the Company not receiving an adequate return on invested capital or losing its invested capital.

The Company does not own any commercial mineral deposits.

Neither the Iska Iska Project nor any of the Company's other mineral projects currently contain known amounts of commercial mineral deposits. The Company's program is exploratory only and there is no certainty that the expenditures to be made by the Company will result in the development of any commercial mineral deposits.

Substantial expenditures are required to be made by the Company to establish mineral resources or mineral reserves and the Company may either not discover minerals in sufficient quantities or grades or not be able to obtain the required funds to develop a project on a timely basis.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling and the estimation of mineral reserves or mineral resources in accordance with the CIM Definition Standards. Although significant benefits may be derived from the discovery of a major mineralized deposit, the Company may not discover minerals in sufficient quantities or grades to justify a commercial mining operation and the funds required for development may not be obtained on a timely basis or may not be obtainable on terms acceptable to the Company. Estimates of mineral reserves and mineral resources can also be affected by environmental factors, unforeseen technical difficulties and unusual or unexpected geological formations. In addition, the grades of minerals ultimately mined may differ from those indicated by drilling results. Material changes in mineral reserve or mineral resource estimates, grades, stripping ratios or recovery rates may affect the economic viability of any project.

The Company can be dependent on a single mineral project.

The Company currently has only one material mineral project (Iska Iska). In the absence of additional material mineral projects, the Company may be solely dependent upon exploration and development of the Iska Iska Project for future revenue and profits. Should such exploration and development at the Iska Iska Project not be possible or practicable for political, engineering, technical or economic reasons, then the Company's business and financial position will be significantly and adversely affected.

Risks relating to inaccurate estimates of any mineral resources, production, purchases, costs, decommissioning or reclamation expenses.

Unless otherwise indicated, any mineralization figures presented by the Company in filings with securities regulatory authorities, press releases and other public statements that may be made from time to time, are based upon estimates made by Company personnel and independent geologists. These estimates are inherently imprecise, as they depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. As a result, there can be no assurance that any mineral resource or other mineralization figures or any estimates of costs (including initial capital costs and initial capital intensity) and expenses will be accurate, nor that the resource mineralization could be mined or processed profitably.

The Iska Iska Project is in the exploration stage and sufficient work has not been done to describe the mineralization on the Property with enough geological confidence for such mineralization to be reported as a mineral resource or a mineral reserve. Furthermore, any mineralization estimates for the Company's properties may require adjustments or downward revisions based upon further exploration or development work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by and inferred from drilling results. Furthermore, there can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or at production scale. As a result, the mineral resource and mineral reserve estimates that may be contained in the Company's filings with securities regulatory authorities, press releases and other public statements that may be made from time to time will have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. In addition, extended declines in market prices for metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization.

The estimated parameters for the Company's projects may be changed as development and mining plans are generated and refined. These parameters would include estimates of how plants, equipment and processes may operate in the future at the Company's projects, for which cost and productivity estimates may prove to be incorrect.

Any material alteration in the above noted estimates, or of the Company's ability to extract mineralization from its projects, could have a material adverse effect on the Company's results or financial condition.

The inherent operational risks associated with mining, exploration and development, many of which are beyond the Company's control.

The Company's activities are subject to a high degree of risk due to factors that, in some cases, cannot be foreseen or anticipated, or controlled. These risks include, but are not limited to, tectonic or weather activity that may provoke landslides or other impacts, labour disruptions, legislative and regulatory changes, crime, the inability to obtain adequate sources of power, water, labour, suitable or adequate machinery and equipment, and expert attorneys and consultants. In addition, the Company may be unable to acquire or obtain such requirements as water rights and surface rights, which may be critical for the continued advancement of exploration, development and operational activities on its mineral concessions.

Inadequate infrastructure may adversely affect the Company's operations and profitability.

Mining, development, exploration and production activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power and fuel sources, as well as water supplies are important determinants which affect capital, as well as operating costs and safety. The lack of availability on acceptable terms or the delay in the availability of any

one or more of these items could prevent or delay development of the Company's projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the development of the Company's projects will be commenced or completed on a timely basis, if at all. In addition, unusual or infrequent weather phenomena, tectonic activity, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the Company's operations and profitability.

The Company currently has limited liability insurance covering its assets and operations and, as a consequence, could incur considerable costs.

Mineral exploration involves risks, which, even with a combination of experience, knowledge and careful evaluation, mining exploration companies may not be able to overcome. Operations in which the Company has a direct or indirect interest may be subject to all the hazards and risks normally incidental to exploration of precious and non-precious metals, any of which could result in work stoppages, damage to property, and possible environmental damage. The Company presently has very limited commercial liability insurance and does not intend to increase its liability insurance. As a result of having limited liability insurance, the Company could incur significant costs that may have a materially adverse effect upon its financial condition and even cause the Company to cease operations.

The Company's mineral property interests or surface property may be subject to prior unregistered agreements or transfers and therefore title to some of the Company's property interests may be affected.

Although the Company has sought and received such representations as it has been able to achieve from vendors in connection with the acquisition of, or options to acquire, an interest in its mining properties and surface rights, and has conducted limited investigations of legal title to such properties, the properties may be subject to prior unregistered agreements or transfers or native land claims, or it is possible that title may be affected by undetected defects.

In addition, there is a risk that developing laws and movements respecting the acquisition and ownership of lands and other rights of local communities may alter the arrangements made by prior owners of the lands where the Company's projects are located. Future laws and actions could have a material adverse effect on the Company's exploration activities or on its financial position, cash flow and results of operations.

The prices of base and precious metals has fluctuated significantly in recent years and may adversely affect the economic viability of the Company's mineral properties.

The Company's revenues, if any, are expected to be almost entirely derived from the mining and sale of precious and base metals. The prices of those commodities have fluctuated widely, particularly in recent years, and are affected by numerous factors beyond the Company's control, including: international economic and political trends; expectations of inflation; currency exchange fluctuations; interest rates; consumption patterns; speculative activities; and increased production due to new mine developments and improved mining and production methods. The effect of these factors on the price of precious and base metals, and, therefore, on the economic viability of the Company's mining properties, cannot be accurately predicted, but nonetheless may adversely impact the Company's ability to raise capital and conduct its operations.

All of the Company's material subsidiaries and their mineral properties are in foreign countries and, therefore, a large portion of the Company's business may be exposed to political, economic, security, and other risks and uncertainties.

Most of the Company's mineral properties, and its material subsidiaries, are located in Bolivia and Peru. It may, therefore, be exposed to various types and degrees of security, economic, labour, political and other risks and uncertainties. These risks and uncertainties include, but are not limited to: terrorism; hostage taking; military repression; high rates of inflation; labour unrest; war or civil unrest; creeping or outright expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts, including by way of invalidation of governmental acts; artisanal and illegal mining operations and the government's enforcement of norms restricting these activities; changes in taxation and mining-related laws and regulations; trade protectionism, including restrictions or tariffs on imports; changes to the foreign exchange regime; changes to the currency regime; currency controls; restrictions on repatriation of funds; changing political conditions, including electoral results;

challenges to the validity of governmental acts; and, governmental regulations that may favour or require the awarding of contracts to local contractors or require foreign contractors to employ residents of, or purchase supplies from, a particular jurisdiction. The reputation of Bolivia as a developing nation, perceived by many as having a track record of measures contrary to attracting investment in the mining sector and other areas of the economy, may make it more difficult for the Company to obtain any required exploration and development financing for its Bolivian projects.

Changes in mining or investment policies or shifts in political attitudes in Bolivia and Peru, their provinces, or local political jurisdictions, may adversely affect the Company's operations or potential profitability. Operations may be affected to varying degrees by modifications to government legislation and regulations with respect to, but not limited to: restrictions on production; price controls; export controls; currency remittances; taxes, including income taxes, property taxes, value added taxes, capital gains taxes, windfall taxes, and the sovereign adjustment tax; royalties; expropriation of property; foreign investment; maintenance of claims; the environment; land use; land claims or other demands by local people; social consultation and other permitting requirements; artisanal and illegal mining operations; labour; transportation; water use; and, mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The impact of one or more of these various factors and uncertainties, none of which can be accurately predicted, could have an adverse effect on the Company's operations or potential profitability.

The Company may experience volatility in the market price of its Common Shares.

Securities of mineral companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic conditions in North America and globally, and market perceptions of the attractiveness of particular industries or sectors. The price of the Company's Common Shares is also likely to be significantly affected by short-term changes in mineral prices, currency exchange fluctuations, or its financial condition or results of exploration activities on its projects. Other factors unrelated to the performance of the Company that may have an effect on the price of the Company's Common Shares include: the extent of analyst coverage available to investors concerning the business of the Company may be limited if investment banks with research capabilities do not follow the Company; lessening in trading volume and general market interest in the Company's Common Shares may affect an investor's ability to trade significant numbers of Common Shares; the size of the Company's public float and whether it is included in market indices may limit the ability of some institutions to invest in the Common Shares; and, a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Common Shares to be delisted from an exchange, further reducing market liquidity. If an active market for the Common Shares does not continue, the liquidity of an investor's investment may be limited, and the price of the Common Shares may decline. If an active market does not exist, investors may lose their entire investment in the Company. As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Company. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The Company's foreign subsidiary operations may impact its ability to fund operations efficiently, as well as the Company's valuation and stock price.

The Company conducts operations through foreign subsidiaries and substantially all of its assets are held in such entities. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

The value of the Company's Common Shares, as well as its ability to raise equity capital, may be impacted by future issuances of shares.

The Company is authorized to issue an unlimited number of Common Shares without par value. The Company may issue more Common Shares in the future. Sales of substantial amounts of Common Shares (including shares issuable upon the exercise of stock options or warrants), or the perception that such sales could occur, could materially adversely affect prevailing market prices for the Common Shares and the ability of the Company to raise equity capital in the future.

The Company's future performance is dependent on key personnel. The temporary or permanent loss of the services of any of the Company's and its subsidiaries' executives or directors could have a material adverse effect on the Company's business.

The Company's performance is substantially dependent on the performance and continued efforts of the Company's executives and board of directors. The loss of the services of any of the Company's executives or directors could have a material adverse effect on the Company's business, results of operations and financial condition. The Company currently does not carry any key person insurance on any of its executives or directors. The Company has limited resources and is currently unable to compete with larger organizations with respect to compensation and perquisites.

The tax regimes in Bolivia and Peru may be subject to change without notice.

The tax regimes in Bolivia and Peru may be subject to differing interpretations and is subject to change without notice. The Company's interpretation of tax law as applied to its transactions and activities may not coincide with that of the tax authorities. As a result, the taxation applicable to transactions and operations may be challenged or revised by the tax authorities, which could result in significant additional taxes, penalties and/or interest.

There is a risk that restrictions on the repatriation of earnings from Bolivia and Peru to foreign entities will be imposed in the future. In addition, the Company has no control over withholding tax rates. There is a risk that the Company's access to financing may be limited as a result of indirect taxation.

Information Systems and Cyber Security

The Company's operations depend on information technology ("IT") systems. These IT systems could be subject to network disruptions caused by a variety of sources, including computer viruses, security breaches and cyber-attacks, as well as disruptions resulting from incidents such as cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, vandalism and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in IT system failures, delays and/or increase in capital expenses. The failure of IT systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although to date the Company has not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that the Company will not incur such losses in the future. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

The Company is exposed to financial risk arising from fluctuations in the exchange rates between the U.S. dollar and Canadian dollar.

While the Company and its subsidiaries incur the majority of their expenditures in U.S. dollars, corporate G&A expenses are primarily paid in Canadian dollars. Thus, the Company is exposed to financial risk arising from

fluctuations in the exchange rates between the U.S. dollar and Canadian dollar, and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risks.

Public Health Crises

The Company's business, operations and financial condition could also be materially adversely affected by the outbreak of epidemics or pandemics or other health crises. For example, in March 2020 the World Health Organization declared COVID-19 to be a pandemic. The risks of public health crises such as COVID-19 to the Company's business include, without limitation, the ability to gain access to government officials, the ability of drilling crews to continue drilling, the ability to raise funds, employee and contractor-employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, disruption of the Company's supply chains and other factors that will depend on future developments which are beyond the Company's control. In particular, the continued spread of the coronavirus globally, prolonged restrictive measures put in place in order to control an outbreak of COVID-19 or other adverse public health developments could materially and adversely impact the Company's business and, as a result, the exploration and development of the Iska Iska Project could materially slow down or the Company could be required to suspend its operations for an indeterminate period. There can be no assurance that the Company's personnel and its contractors' personnel will not ultimately see its workforce productivity reduced or that the Company will not incur increased medical costs or insurance premiums as a result of these health risks. Such increased costs could reduce the size or extent of the planned exploration activities. In addition, the coronavirus pandemic or the fear thereof could adversely affect global economies and financial markets resulting in volatility or an economic downturn that could have an adverse effect on the demand for minerals at the Iska Iska Project and other properties and, accordingly, the Company's future prospects. Epidemics such as COVID-19 could have a material adverse impact on capital markets and the Company's ability to raise sufficient funds to finance the ongoing exploration and development of its mineral properties. All of these factors could have a material and adverse effect on the Company's business, financial condition and results of operations. The extent to which COVID-19 impacts the Company's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the outbreak. It is not always possible to fully insure against such risks, and the Company may decide not to insure such risks as a result of the high cost of premiums or other reasons. Should such liabilities arise, they could delay the exploration and development of the Company's properties, create an obstacle to raising funds for the acquisition of the Iska Iska property in 2024 and thereby make it difficult or even impossible to acquire the Iska Iska Project or reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Company's Common Shares. Even after the COVID-19 pandemic is over, the Company may continue to experience material adverse effects to its business, financial condition and prospects as a result of the continued disruption in the global economy and any resulting recession. COVID-19 may also have the effect of heightening other risks and uncertainties disclosed and described in this AIF. To date, COVID-19 has not materially impacted the Company's operations, financial condition, cash flows and financial performance. In response to the outbreak, the Company has instituted and encouraged its contractors to institute operational and monitoring protocols to ensure the health and safety of its employees and stakeholders, which follow the advice of local governments and health authorities where the Company operates. The Company has adopted a work from home policy where possible. The Company continues to operate effectively whilst working remotely. The Company will continue to monitor developments of the pandemic and continuously assess the pandemic's potential further impact on the Company's operations and business.

Dependence on Outside Parties

The Company has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Company.

Volatility of Stock Price

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Company's Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Conflicts of Interest

The directors and officers of Eoro may serve as directors or officers of other public resource companies or have significant shareholdings in other public resource companies. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of Eoro. In the event that such a conflict of interest arises at a meeting of the directors of Eoro, a director is required by the *Business Corporations Act* (Ontario) to disclose the conflict of interest and to abstain from voting on the matter.

Competition

The mineral exploration and mining business is competitive in all of its phases. Eoro competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than Eoro, in the search for and acquisition of attractive mineral properties. The ability of Eoro to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable properties or prospects for mineral exploration. There is no assurance that Eoro will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

Potential Dilution

The Company's articles of incorporation and by-laws allow it to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as established by the board of directors of the Company, in many cases, without the approval of the Company's shareholders. The Company may issue additional Common Shares in future financings (including through the sale of securities convertible into or exchangeable for Common Shares) and on the exercise of stock options, warrants or other securities exercisable for Common Shares. The Company cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their voting power and the Company may experience dilution in its earnings (if any) per share.

Forward-looking statements may prove to be inaccurate

Investors should not place undue reliance on forward-looking statements. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on such risks, assumptions and uncertainties can be found in this AIF under the heading "Cautionary Note Regarding Forward Looking Statements and Forward Looking Information".

ITEM 8: DIVIDENDS

All of the Common Shares of the Company are entitled to an equal share in the dividends declared and paid by the Company. There are no restrictions in the Company's by-laws which could prevent the Company from paying dividends as long as there are no reasonable grounds for believing that the Company is insolvent or the payment of dividends would render the Company insolvent.

The Company intends to retain all future earnings, if any, and other cash resources for the future operation and development of its business, and accordingly, does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Board after taking into account many factors including the Company's operating results, financial condition and current and anticipated cash needs.

ITEM 9: DESCRIPTION OF CAPITAL STRUCTURE

As of July 29, 2022, the Company had 69,863,165 Common Shares 5,500,000 stock options outstanding, exercisable at a price between C\$0.40 and C\$4.45 per stock option and 6,464,110 warrants outstanding, exercisable at a price between C\$1.55 and C\$4.75.

The Company is authorized to issue an unlimited number of Common Shares without par value, and an unlimited number of special shares ("**Special Shares**") without par value. There are no Special Shares issued and outstanding.

The holders of the Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote the Common Shares at the meetings, except meetings at which only holders of a specified class of shares are entitled to vote, and holders of Common Shares shall be entitled to one vote for each Common Share held and, subject to the rights privilege restrictions and conditions attaching to any other class of shares of the Company, to receive the remaining property of the Company upon the dissolution of the Company.

The attributes of the Special Shares are as follows:

- a) the Special Shares shall be redeemable, voting, non-participating shares without nominal or par value;
- b) no dividends at any time shall be declared, set aside or paid on the Special Shares;
- c) in the event of a liquidation, dissolution or winding-up of the Company or other distribution of assets or property of the Company among the shareholders for the purpose of winding up its affairs, the holders of the Special Shares shall be entitled to received from the assets and property of the Company a sum equivalent to the amount paid on the issue of such shares held by them respectively before any amount shall be paid or any property or assets of the Company distributed to the holders of any Common Shares or shares of any other class ranking junior to the Special Shares. After payment to the holders of the Special Shares of the amount so payable to them as provided above, they shall not be entitled to share in any further distribution of the assets or property of the Company;
- d) the Special Shares shall be issued only for cash and may, if authorized by the directors of the Company, be accompanied by warrants to purchase Common Shares in the capital of the Company on the basis of one warrant for each Special Share;
- e) in the event that warrants to purchase Common Shares in the capital of the Company which accompanied Special Shares are exercise, the Special Shares accompanying such warrants will be redeemed in accordance with the provisions of clause (f) below;
- f) subject to the provisions of clause (e) above, the Company shall not redeem the Special Shares or any of them prior to the expiration of five years from the respective dates of the issuance thereof, without the prior consent of the holders of the Special Shares to be redeemed. The Company may redeem all the then outstanding Special Shares five years from the respective issue of the Special Shares, without the consent of the holders of such shares being redeemed, as hereinafter provided;
- g) the Company shall give not less than thirty days notice in writing of such redemption, by mailing such notice to the registered holders of the Special Shares to be redeemed, specifying the date and place or places or redemption. If notice of any such redemption has been given in the manner aforesaid, and an amount sufficient to redeem the Special Shares has been deposited with any trust company or chartered bank in Canada, as specified in the notice, or before the date fixed for redemption, the holders thereof shall thereafter have no rights against the Company in respect thereof except, upon the surrender of certificates for such Special Shares, to receive payment therefore out of the moneys so deposited;

- h) the Company may, with the consent of the holders thereof, at any time or times purchase for cancellation all or any part of the Special Shares outstanding from time to time, at a price not exceeding the amount paid on the issue thereof;
- i) the holders of Special Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Company and shall have one vote for each Special Shares held at all meetings of the shareholders of the Company; and
- j) the number of Special Shares issuable by the Company at any time shall be limited so that at no time shall more than 500,000 Special Shares be issued and outstanding.

ITEM 10: MARKET FOR SECURITIES

10.1 Trading Price and Volume

The Common Shares of the Company currently trade on the TSX-V under the symbol “ELO”. The following table sets out the high and low sale prices and the volume of trading of the Company’s Common Shares on the TSX-V on a monthly basis since the commencement of the Company’s fiscal year ended March 31, 2022.

Period	Price (High)	Price (Low)	Volume
April 2021	\$4.48	\$3.65	2,998,616
May 2021	\$5.40	\$4.04	4,210,334
June 2021	\$5.25	\$4.21	2,227,242
July 2021	\$4.75	\$3.06	2,879,947
August 2021	\$4.90	\$3.39	2,150,562
September 2021	\$4.00	\$3.19	1,745,356
October 2021	\$4.11	\$3.29	1,602,701
November 2021	\$4.48	\$3.25	2,112,992
December 2021	\$4.09	\$3.08	2,023,870
January 2022	\$3.98	\$3.28	1,995,657
February 2022	\$4.05	\$3.41	1,919,753
March 2022	\$5.44	\$3.92	4,554,524
TOTAL			30,421,554

10.2 Prior Sales

No class of securities of the Company, other than the Common Shares, are listed for trading on a marketplace. The following table summarizes the issuance of securities convertible into or exercisable for Common Shares by the Company during the fiscal year ended March 31, 2022:

Date of Issuance	Security	Exercise Price per Security (C\$)	Number of Securities
January 19, 2022	Restricted Share Units	N/A	2,350,000
March 3, 2022	Stock Options	4.65	1,525,000

ITEM 11: ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of the directors and officers of the Company, no securities of the Company are subject to escrow or a contractual restriction on transfer as of the date of this AIF.

ITEM 12: DIRECTORS AND OFFICERS

12.1 Name, Occupation and Security Holding

The following are the names and provinces of residence of the directors and executive officers of the Company, the positions and offices they currently hold with the Company, their principal occupations during the five preceding years and the date they were appointed to their current office with the Company. Each director will hold office until the next annual general meeting of the Company unless his office is earlier vacated in accordance with the provisions of the OBCA or the by-laws of the Company.

Name, Residence and Office(s)	Principal Occupation During Past Five Years	Director Since
Thomas Larsen Burlington, Ontario <i>Director, Chairman and Chief Executive Officer</i>	Chairman and Chief Executive Officer of the Company since 1997 and of Cartier Iron Corporation from 1997 to 2012 and from 2014 to present. Mr. Larsen is a director of the Company and of Cartier Iron Corporation.	2002
Francis Sauve Tilbury, Ontario <i>Director</i>	Entrepreneur. Director of the Company since 2002 and of Cartier Iron Corporation (resource exploration corporation) from 1999 to 2012 and since 2014.	2002
Alexander S. Horvath L'Orignal, Ontario <i>Director</i>	Professional Engineer. President of A.S. Horvath Engineering Inc. (a geological engineering services company). Chief Operating Officer of Champion Iron Limited from April 2014 to December 31, 2016, Executive Vice President of Exploration and Project Development of Champion Iron Mines Limited from 2008 to 2016. A director of the Company since 2010; and Cartier Iron Corporation from 2013 to 2014 and since 2017 (all resource exploration corporations).	2010
Dusan Berka Vancouver, BC <i>Director</i>	Professional Engineer. Director of the Company since 2011; President and CEO of Madoro Metals Corp. (formerly Megastar Development Corp.) since 2003; Director of Aguila Copper Corp. (formerly American Gold Ltd.) since 2011; Director and senior officer of Patriot Battery Metals Inc. (formerly Gaia Metals Corp.) since 2012. Director of Straightup Resources Inc. from 2020 to 2021 (all resource exploration corporations).	2011
Richard Stone Toronto, Ontario <i>Director</i>	Chairman and CEO of Stone Asset Management Limited since 1999 and of Stone Investment Group Limited since 2006 (investment management corporations). Director of the Company since January 2017.	2017

The Company's only two committees are its Nomination and Compensation Committee, whose members are Richard Stone, Francis Sauve and Alexander Horvath. and its Audit Committee, whose members are Francis Sauve, Dusan Berka and Alexander Horvath. See ITEM 18: "Audit Committee" below.

The following table sets forth certain information concerning the executive officers of the Company, based in part upon information furnished by them to management.

Name, Province and Country of Residence	Position with Company	Principal Occupation During Five Preceding Years
Thomas Larsen Burlington, Ontario Canada	Chief Executive Officer	Chairman and Chief Executive Officer of the Company since 1997; and of Cartier Iron Corporation from 1997 to 2012 and from 2014 to present. Mr. Larsen is a director of the Company and of Cartier Iron Corporation.
Miles Nagamatsu Toronto, Ontario Canada	Chief Financial Officer	Chief Financial Officer of the Company since 1997. Chief Financial Officer of Cartier Iron Corporation since 1997, United Hunter Oil & Gas Corp. since 2017; Director and Chief Financial Officer of Essex Oil Ltd. from 2008 to 2021; Chief Financial Officer of Champion Iron Limited from March 2014 until September 2018; Chief Financial Officer of Laurion Mineral Exploration Inc. since 2019. Chief Financial Officer of Royal Coal Corp. since March 2020, GreenBank Capital Inc., Buchans Wileys Exploration Inc. and Gander Exploration Inc. since April 2020; Blockchain Evolution Inc. and XGC Software Inc. since May 2020.
William Pearson, Ph.D., P. Geo., FGC Thornhill, Ontario Canada	Executive Vice President Exploration	Executive Vice President Exploration of the Company since February 2021. President of the Company from June 2018 to March 2019. President of Pearson Geological Limited.
Jorge Estepa Brampton, Ontario Canada	Vice President, Corporate Secretary and Treasurer	Vice President, Corporate Secretary and Treasurer of the Company since 1997. Director of the Forsys Metals Corp. since March 2015, Corporate Secretary of Forsys Metals Corp. since April 2004, Vice President, Secretary and Treasurer of Cartier Iron Corp. since 1995, Corporate Secretary (Canada)/Assistant Corporate Secretary of Champion Iron Limited since March 2014; Director of Canoe Mining Ventures Corp. since December 2013; Corporate Secretary of Acme Resources Corp. from June 2018 to December 2018.
Christopher Holden Winnipeg, Manitoba Canada	Vice President, Corporate Development	Vice President Corporate Development of the Company since March 2021. Corporate Advisor to the Company from 2020 to 2021. Corporate Advisor to Reality Check Systems VR from 2017 to 2019.

As of July 29, 2022, the directors and executive officers of the Company, as a group, beneficially owned, controlled or directed, directly or indirectly, 15,274,042 Common Shares representing 21.9% of the total issued and outstanding Common Shares of the Company.

12.2 Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Corporate Cease Trade Orders

Except as set out below, no director or executive officer of the Company is, or was within the ten years prior to the date of this AIF, a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade or similar order, or an order that denied the other issuer access to any statutory exemptions, for a period of more than thirty consecutive days:

1. while that person was acting as a director, chief executive officer or chief financial officer; or
2. after that person ceased acting as a director, chief executive officer or chief financial officer which resulted from an event that occurred while that person was acting in that capacity.

On November 3, 2016, the Ontario Securities Commission issued a cease trade order against Essex Oil Ltd. (“Essex”) for failing to file audited annual financial statements, annual management’s discussion and analysis, and certification of the foregoing filings. At the time the cease trade order was issued, Miles Nagamatsu was a director and executive officer of Essex. The cease trade order is still in effect.

Corporate Bankruptcies

No director, executive officer or securityholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is, or has been within the ten years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No director, executive officer or securityholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the ten years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Penalties or Sanctions

No director, executive officer or securityholder holding a sufficient number of securities to materially affect the control of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

12.3 Conflicts of Interest

The directors and officers of the Company may, from time to time, serve as directors or officers of other issuers or organizations or may be involved with the business and operations of other issuers or organizations, in which case a conflict of interest may arise between their duties as a director or officer of the Company and their duties as a director or officer of such other issuers or organizations. In particular, certain of the directors and officers of the Company are involved in executive or director positions with other mineral exploration companies whose operations may, from time to time, be in direct competition with those of the Company or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of the Company. See ITEM 12.1: “*Directors And Officers - Name, Occupation and Security Holding*” above for a description of other mineral exploration companies in which the directors and officers of the Company are currently involved.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors’ or officers’ conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the OBCA and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

Save and except as aforesaid or otherwise disclosed in this AIF, to the Company’s knowledge, there are no known existing or potential conflicts of interest between the Company and any director or officer of the Company.

ITEM 13: LEGAL PROCEEDINGS AND REGULATORY ACTIONS

13.1 Legal Proceedings

During the fiscal year ended March 31, 2022 and as of the date of this AIF, the Company is not and was not a party to, and its property is not and was not the subject of, any legal proceedings and no such proceedings are known by the Company to be contemplated.

13.2 Regulatory Actions

During the fiscal year ended March 31, 2022 and as of the date of this AIF, there were no penalties or sanctions imposed against, or settlement agreements with any court relating to securities legislation or with securities regulatory authority entered into by the Company or any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision.

ITEM 14: INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this AIF, in the notes to the Company's Financial Statements and its MD&A, no director or executive officer of the Company, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company's outstanding Common Shares, and none of the respective associates or affiliates of any of the foregoing, had any material interest, direct or indirect, in any transaction with the Company or in any proposed transaction within the three most recently completed financial years or the current financial year of the Company that has materially affected or is reasonably expected to materially affect the Company.

ITEM 15: TRANSFER AGENT AND REGISTRAR

The Company's registrar and transfer agent for its Common Shares is the TSX Trust Company located at 301 - 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1.

ITEM 16: MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, the only material contract entered into by the Company since the commencement of the Company's fiscal year ended March 31, 2022 or before such time that is still in effect, and up to July 29, 2022 is the definitive agreement between Empresa Minera and the Company's Bolivian subsidiary, Minera Tupiza, pursuant to which Minera Tupiza has an option to acquire a 99% interest in Iska Iska (see Sections 4.2 and 6.1 of this AIF for further details).

ITEM 17: INTERESTS OF EXPERTS

17.1 Names of Experts

The following table lists the persons and companies who have prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 *Continuous Disclosure Obligations* by the Company during the fiscal year ended March 31, 2022 or subsequent thereto:

Name of Individual or Company	Document Prepared or Certified
Charley Murahwi, MSc., P. Geo., FAusIMM of Micon International Limited	NI 43-101 Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia with an effective date of March 31, 2022 and dated May 1, 2022
Richard Gowans, P. Eng.. of Micon International Limited	NI 43-101 Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of

	Potosi, Bolivia with an effective date of March 31, 2022 and dated May 1, 2022
William N. Pearson, Ph.D., P.Geo., FGC. – Executive Vice President, Exploration of the Company	NI 43-101 Technical Report on the Exploration and Diamond Drilling of the Iska Iska Polymetallic Project, Sud Chichas Province, Department of Potosi, Bolivia with an effective date of March 31, 2022 and dated May 1, 2022
RSM Canada LLP	Audited consolidated financial statements of the Company for the years ended March 31, 2022 and 2021.

17.2 Interests of Experts

To the knowledge of the Company, none of the experts named above or their respective associates or affiliates held, as of the date of the applicable report, valuation, statement or opinion referred to in ITEM 17.1: “*Interests of Experts - Names of Experts*” above, currently hold or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company other than William N. Pearson, who is Executive Vice President, Exploration of the Company. William N. Pearson held, when he prepared the Iska Iska Technical Report and as at the date hereof, an aggregate of 654,789 Common Shares, 300,000 stock options and 400,000 restricted share units of the Company. William N. Pearson did not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such report. Charley Marahwi and Richard Gowans held less than 1% of the securities of the Company or of any associate or affiliate of the Company when they prepared the Iska Iska Technical Report, and as at the date hereof, held less than 1% of the securities of the Company.

The auditor of the Company is RSM Canada LLP, Chartered Professional Accountants (“RSM”), 11 King Street East, #700, Toronto, ON M5H 4C7. RSM is independent from the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Ontario.

ITEM 18: AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators (“NI 52-110”) requires the Company to disclose annually in its AIF certain information concerning the constitution of its audit committee and its relationship with its external auditor, as set forth below.

18.1 The Audit Committee Charter

The text of the Company’s Audit Committee Charter (the “**Audit Committee Charter**”) is attached as Schedule “A” hereto.

18.2 Composition of Audit Committee

The following are the members of the Audit Committee:

Audit Committee Member	Independence	Financial Literacy
Francis Sauve	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Dusan Berka	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Alexander Horvath	Independent ⁽¹⁾	Financially literate ⁽¹⁾

18.3 Relevant Education and Experience

Francis Sauve owns his own business, and in such capacity has experience in the preparation, analysis and/or evaluation of financial statements generally and an understanding of internal control and procedures for financial reporting. Over the past 25 years, Mr. Sauve has been, and is currently, a director of a number of publicly traded resource exploration companies.

Dusan Berka has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.

Alexander Horvath has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.

As a result of their respective business experience, each member of the Audit Committee (i) has an understanding of the accounting principles used by the Company to prepare its financial statements, (ii) has the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions, (iii) has experience in analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to that that can reasonably be expected to be raised by the Company's financial statements, and (iv) has an understanding of internal controls and procedures for financial reporting.

18.4 Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2022 has the Company relied on the exemptions in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), an exemption from subsection 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), subsection 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. As the Company is considered a "venture issuer" for the purpose of Part 6 of NI 52-110, it is exempted from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

18.5 Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year ended March 31, 2022 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

18.6 Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter.

18.7 External Audit Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two financial years for audit and related services are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
March 31, 2021	\$27,000	\$Nil	\$4,500	\$53,628
March 31, 2022	\$35,000	\$Nil	\$9,000	\$0

⁽¹⁾ "Audit Fees" include fees necessary to perform the annual audit of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements.

Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) “**Audit-Related Fees**” include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “**Tax Fees**” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “**All Other Fees**” include all other non-audit services, which for 2021 included fees related to two bought deal financings, including the review of the Company’s interim financial statements and the prospectus filings.

ITEM 19: ADDITIONAL INFORMATION

Additional information including directors’ and officers’ remuneration and indebtedness, principal holders of the Company’s securities, securities authorized for issuance under equity compensation plans, and corporate governance practices, is contained in the Company’s management information circular for its most recent annual meeting of shareholders that involved the election of directors.

Additional financial information is also provided in the Company’s audited consolidated financial statements and related MD&A for its fiscal year ended March 31, 2022.

Additional information relating to the Company may be found under the Company’s profile on SEDAR at www.sedar.com.

SCHEDULE “A”

ELORO RESOURCES LTD.

(the “Corporation”)

AUDIT COMMITTEE CHARTER

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

1. assist the Board of Directors in its oversight role with respect to:
 - i. the quality and integrity of financial information;
 - ii. the independent auditor’s performance, qualifications and independence;
 - iii. the performance of the Corporation’s internal audit function, if applicable; and
 - iv. the Corporation’s compliance with legal and regulatory requirements; and
2. prepare such reports of the Audit Committee required to be included in the Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three or more Directors appointed by the Board of Directors, the majority of whom shall be independent and unrelated to the Corporation and as such shall not be officers (other than a non-executive Chairman or Corporate Secretary who is not an employee of the Corporation) or employees of or have a meaningful business relationship with the Corporation or any of the Corporation’s affiliates or be an immediate family member of any of the foregoing. Each of the members of the Audit Committee shall satisfy the applicable independence and financial literacy of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

The Board of Directors shall designate one member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board of Directors.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the Board of Directors for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual proxy circular, as required by applicable law.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every 5 years).

Financial Reporting

- Review and discuss with management and the independent auditor:
 - prior to the annual audit the scope, planning and staffing of the annual audit,
 - the annual audited financial statements,
 - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
 - approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation,
 - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
 - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
 - any significant changes in the Corporation's selection or application of accounting principles,
 - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
 - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

Approval of Audit and Remitted Non-Audit Services Provided by External Auditors

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.