2023 YEAR END REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS
AND
CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023
(AUDITED)

NGEX MINERALS LTD.
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED DECEMBER 31, 2023
(Amounts in Canadian Dollars unless otherwise indicated)

The following management's discussion and analysis ("MD&A") of NGEx Minerals Ltd. ("NGEx Minerals" or the "Company") should be read in conjunction with the consolidated financial statements for the year ended December 31, 2023 and related notes therein. The financial information in this MD&A is reported in Canadian dollars unless otherwise indicated and is derived from the Company's annual consolidated financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). The effective date of this MD&A is March 22, 2024. Additional information about the Company and its business activities is available on SEDAR+ at www.sedarplus.ca and the Company's website www.ngexminerals.com.

Some of the statements in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

CORE BUSINESS

NGEx Minerals is a mineral exploration company with copper-gold and gold exploration projects in Argentina and Chile. The Company's strategy is to create value for its shareholders through prudent management and deployment of its capital resources, by expanding and increasing the quality of its mineral resources through successful exploration and acquisitions, and by advancing engineering and other studies that are required to prepare its projects for eventual development by the Company, in collaboration with its partners, as applicable, or by third parties. The overall objective is to position the Company as a top tier mineral exploration-development investment opportunity.

The Company has a strong management team and board with extensive experience in the resource sector, particularly in Chile and Argentina. The board and management team have an appropriate mix of geological, engineering, financial, and business skills to advance the Company's projects and to generate value for its shareholders.

The Company's most advanced asset is its Los Helados copper-gold deposit, located in Region III of Chile ("Los Helados", the "Los Helados Property" or the "Los Helados Project"). The Company is the majority (approximately 69%) partner and operator of the Los Helados Project, which is subject to a Joint Exploration Agreement (the "JEA") with its partner (approximately 31%), Nippon Caserones Resources LLC ("NCR"). NCR is a subsidiary of JX Nippon Mining and Metals Corporation, a Tokyo-based mining and smelting company that also has an indirect 49% ownership interest in the Caserones Mine, located approximately 17km from Los Helados. The remaining 51% controlling interest in the Caserones Mine is held by Lundin Mining Corporation.

The Company recently updated its estimated Mineral Resources for the Los Helados Project, with an effective date of October 31, 2023, which is summarized in the following table. The Company's Mineral Resources as reported in this MD&A have been prepared in accordance with the CIM Definition Standards that are incorporated by reference in NI 43-101. In this MD&A, Mineral Resources may be referred to interchangeably as "Mineral Resource Estimates" or "Mineral Resource Estimations".

Los Helados Mineral Resources (0.33% CuEq Cutoff)								
	Tonnage	**Resource Grade**				**Contained Metal**		
Class	**(billion tonnes)**	**Cu (%)**	**Au (g/t)**	**Ag (g/t)**	**CuEq (%)**	**Cu (billion lbs)**	**Au (million oz)**	**Ag (million oz)**
Indicated	2.08	0.40	0.15	1.5	0.51	18.4	10.2	97.5
Inferred	1.08	0.34	0.10	1.5	0.42	8.2	3.6	50.2

The key assumptions, parameters, and methods used to develop these Mineral Resource Estimates are contained in the 43-101 technical report entitled "*Technical Report on the Los Helados and Lunahuasi Projects, Chile and Argentina*", dated December 13, 2023 (the "Technical Report"), prepared by Luke Evans, M.Sc., P.Eng., SLR Consulting (Canada) Ltd., and Giovanni Di-Prisco, Ph.D., P.Geo., Terra Mineralogical Services Inc. This report is available on the Company's website at www.ngexminerals.com or under the Company's profile at www.sedarplus.ca.

In addition, the Company owns a 100% interest in the Lunahuasi project, a high-grade copper-gold-silver discovery located in San Juan Province, Argentina ("Lunahuasi" or the "Lunahuasi Project"). Lunahuasi is an exploration project located in the emerging Vicuña District, which hosts several sizeable copper-gold deposits, such as the Caserones Mine, the Josemaria deposit, the Filo del Sol deposit, and the Company's Los Helados Project. Lunahuasi lies along the same major north-northeast structural trend that controls the Filo del Sol deposit located approximately 6 km to the south and Los Helados located approximately 9 km to the north. The maiden drill campaign completed at Lunahuasi during the first half of 2023 resulted in the discovery of a significant new zone of high-grade copper, gold and silver mineralization, which includes some of the highest copper grades drilled to date in the Vicuña District and intersected globally in recent years. This mineralization is interpreted to be indicative of a nearby porphyry copper-gold system and following up on these initial findings will be a focus for the Company moving forward.

The Company's common shares traded on the TSX Venture Exchange under the symbol "NGEX" until February 21, 2024, at which point they were voluntarily delisted in order for the Company's common shares to trade on the Toronto Stock Exchange under the same symbol effective February 22, 2024. In addition, the Company's common shares began trading on the OTCQX under the symbol "NGXXF" on March 8, 2024.

2023 OPERATING HIGHLIGHTS AND OUTLOOK

Maiden Drill Campaign at Lunahuasi Makes Newest Vicuña District Discovery; 2023-2024 Follow-up Program Delivers Continued Success

In early 2023, the Company launched and completed its maiden drill program at the Lunahuasi Project (the "Maiden Lunahuasi Program"), which successfully identified a major new high-grade copper-gold-silver discovery in the emerging Vicuña metals district. The Maiden Lunahuasi Program, which ran from January to May, completed a total of 4,912 metres of diamond drilling and discovered a series of quartz-sulphide veins carrying high values of copper, gold and silver, which is currently interpreted to be the outer halo of a yet to be discovered porphyry copper centre expected to occur in close proximity.

A total of eight holes were completed during the Maiden Lunahuasi Program, comprised of two holes from the plateau situated at the upper part of the system (DPDH001 and DPDH003) and six in the valley (DPDH002, DPDH004, DPDH005, DPDH006, DPDH007, DPDH008), which is approximately 750 meters below the plateau. All six of the holes completed in the valley returned multiple high-grade vein intersections, highlighted by:

- DPDH002, which returned 60.0m at 7.52% copper equivalent ("CuEq") from 212.0 metres and 10.0m at 7.08% CuEq from 574.0 metres;
- DPDH005, which returned 33.4m at 3.50% CuEq from 636.0 metres; and

- DPDH007, which returned 90.0m at 4.05% CuEq from 74.0 metres and 20.8m at 8.08% CuEq from 439.2 metres.

Following the discovery of high-grade vein mineralization at Lunahuasi in its first ever drill campaign at the project, the Company promptly initiated a follow-up program for the 2023-2024 exploration season, which began in mid-October 2023 (the "2023-2024 Lunahuasi Program") with two drill rigs. The 2023-2024 Lunahuasi Program has initially focused on defining and expanding the zone of high-grade mineralization intersected during the Maiden Lunahuasi Program.

The 2023-2024 Lunahuasi Program has now operated with four diamond rigs since mid-November 2023, and to date complete assay results for four holes of the current season have been received, analyzed and released by the Company. These initial results have confirmed the presence of a significant mineralized system at Lunahuasi and have begun to delineate its size, with the continued intersection of long, bonanza-grade intervals in and around the initial discovery hole. The initial results are highlighted by:

- DPDH009, which returned 128.3m at 4.01% CuEq from 144.0 metres, including 62.0m at 6.98% CuEq from 144.0 metres, which in itself included 26.1m at 13.36% CuEq from 168.9 metres;
- DPDH010, which returned 102.0m at 4.56% CuEq from 192.0m, including 62.6m at 5.84% CuEq from 226.0 metres, which in itself included 9.4m at 12.10% CuEq from 232.0 metres; and
- DPDH014, which returned 184.2m at 4.61% CuEq from 166.0m, including 71.9m at 9.63% CuEq from 171.2 metres, which in itself included 23.0m at 23.02% CuEq from 220.0 metres.

Composited intervals from all disclosed Lunahuasi holes up to the date of this MD&A can be found in the Company's most recent annual information form ("AIF"), as filed on SEDAR+ at www.sedarplus.ca.

The Company's current interpretation is that the veins and the surrounding alteration zone were created by one or more porphyry copper-gold systems. The grades and thickness of the mineralization observed within drill holes completed at Lunahuasi are positive indicators of the strength and potential of the system that is the source of these high-grade structures.

The 2023-2024 Lunahuasi Program is currently planned to continue with four diamond rigs through to its conclusion in the second quarter of 2024, targeting the completion of approximately 15,000 metres of drilling for the season. Assay results from the ongoing drilling will be released once received and analyzed by the Company.

Expansion of Los Helados High-grade Zones

In May 2023, the Company concluded its 2022-2023 field and drill campaign at Los Helados (the "Los Helados Program"), located in Region III, Chile, which commenced in November 2022 to further define the geometry and size of the Fenix and Alicanto Zones, high-grade hydrothermal breccias that were identified at the project in early 2022. These zones are distinct from, and in addition to, the high-grade Condor Zone at the core of the deposit, around which the Los Helados Mineral Resource is centered. The Los Helados Program completed a total of 10,450 metres of diamond drilling in 11 holes, and successfully extended the Fenix and Alicanto Zones.

Of particular note, holes completed in the Fenix Zone have returned some of the highest grades ever encountered at Los Helados. Namely, LHDH081-2 intersected 343.8m at 0.90% CuEq, including 63.8m at 1.25% CuEq, LHDH081-3 intersected 234.0m at 0.90% CuEq, including 28.0m at 1.49% CuEq, and LHDH084 intersected 390.0m at 1.13% CuEq. Intersections from the recently drilled holes in the Fenix and Alicanto Zones have also returned notable molybdenum (Mo) grades, which significantly exceed the averages observed at the deposit to date. Composited drill hole intervals from the Los Helados Program can be found in the Company's most recent AIF, as filed on SEDAR+ at www.sedarplus.ca.

The results from the recent Los Helados Program, along with assays from the immediately preceding program undertaken during 2022, were ultimately incorporated into an update to the Mineral Resource Estimate for the project, as discussed in the following section. Within the update to the Los Helados Mineral Resource Estimates, the Company successfully converted the recently discovered Fenix and Alicanto Zones from exploration potential to Indicated and Inferred Resources, which illustrates the positive accretive impact that new satellite zone discoveries may yield on the Los Helados Mineral Resource.

With respect to the potential for additional satellite zone discoveries at Los Helados, the Company completed a comprehensive targeting exercise, which used detailed geophysical survey data collected and geological mapping completed during the Los Helados Program, and generated a number of new drill-ready targets with signatures similar to those associated with the Condor, Fenix, and Alicanto Zones. However, with substantial exploration work now underway at the Lunahuasi Project, the Company has decided to defer further exploration at Los Helados in order to focus its field personnel and resources at Lunahuasi at this time.

Substantial Improvement to Los Helados Mineral Resource Achieved by Recent Years' Drilling

In December 2023, the Company completed the Technical Report, which included an update to the Mineral Resource Estimates for Los Helados (the "2023 MRE"). The 2023 MRE, with an effective date of October 31, 2023, is summarized in the resource table provided in the "Core Business" section above. Relative to the previous Mineral Resource Estimates from 2019 (the "2019 MRE") the update has resulted in notable improvements to grades, contained metal and overall tonnage. Highlighted changes are summarized in the following table:

		2019 MRE		**2023 MRE**		**2023 MRE vs. 2019 MRE**	
	Unit	Indicated	Inferred	Indicated	Inferred	Indicated	Inferred
Tonnage	Billion Tonnes	2.10	0.83	2.08	1.08	-1%	+30%
Grade	Cu (%)	0.38	0.32	0.40	0.34	+6%	+7%
	Au (g/t)	0.15	0.10	0.15	0.10	+2%	+4%
	Ag (g/t)	1.37	1.32	1.46	1.45	+6%	+10%
	CuEq (%)	0.48[1]	0.39[1]	0.51	0.42	+7%	+8%
Metal Content	Cu (million lbs)	17,600	5,800	18,426	8,152	+5%	+41%
	Au (million oz)	10.1	2.7	10.2	3.6	+1%	+33%
	Ag (million oz)	92.5	35.1	97.5	50.2	+5%	+43%

[1] Copper equivalent for the comparative 2019 MRE was based on \$3.00/lb copper, \$1,300/oz gold and \$23/oz silver, and includes a provision for selling costs and metallurgical recoveries corresponding to three zones defined by depth below surface. The formulas used were: CuEq % = Cu % + 0.6264*Au (g/t) + 0.0047*Ag (g/t) for the Upper Zone (surface to ~250m); Cu % + 0.6366*Au (g/t) + 0.0077*Ag (g/t) for the Intermediate Zone (~250m to ~600m); Cu% + 0.6337*Au (g/t) + 0.0096*Ag (g/t) for the Deep Zone (>~600m). The key assumptions, parameters, and methods used in determining the 2019 MRE are contained in the 43-101 technical report for the Los Helados Project, entitled "*Technical Report on the Los Helados Porphyry Copper-Gold Deposit, Chile*", dated August 6, 2019 and authored by F. Devine, P.Geo., G. Zandonai, RMCMC, and G. Di Prisco, P.Geo. This report is available under the Company's profile at www.sedarplus.ca.

[2] Copper equivalent for the 2023 MRE was based on \$3.90/lb copper, \$1,800/oz gold and \$20/oz silver, and includes a provision for selling costs and metallurgical recoveries corresponding to three zones defined by depth below surface. The formulas used were: CuEq % = Cu % + 0.681008*Au (g/t) + 0.002989*Ag (g/t) for the Upper Zone (surface to ~250m); Cu % + 0.692039*Au (g/t) + 0.004877*Ag (g/t) for the Intermediate Zone (~250m to ~600m); Cu% + 0.688852*Au (g/t) + 0.006068*Ag (g/t) for the Deep Zone (>~600m). The key assumptions, parameters, and methods used in determining the 2023 MRE are contained in the Technical Report, which is available on the Company's website at www.ngexminerals.com or under the Company's profile at www.sedarplus.ca.

In addition to these substantial improvements, the 2023 MRE also now includes 510 million tonnes grading 0.72% CuEq within the Indicated Resource category at a 0.6% CuEq cut-off. Another insight gained from the 2023 MRE was that the Inferred Resource related to the Fenix Zone could be converted into an Indicated Resource with relatively minimal additional drilling, which is an opportunity to further improve the quality of the Mineral Resources at Los Helados in a cost-effective manner.

Although the Company has no current plans to undertake significant exploration work at Los Helados at this time as substantially all its resources are diverted to the Lunahuasi Project, it continues to review and analyze the unique value proposition presented by the Los Helados Project within the broader landscape of the Vicuña District. Namely, Los Helados is the most advanced exploration project in the district, and hosts a robust Mineral Resource Estimate with grades exceeding those of nearby development and operating projects. The Company will continue its analysis of Los Helados with the objective of optimizing the value realized for its shareholders.

2023 CORPORATE HIGHLIGHTS

Changes to the Board of Directors and Executive Management Team

At the Annual General and Special Meeting of Shareholders on June 27, 2023, Mr. Alessandro Bitelli was elected to the Company's Board of Directors, in replacement of Mr. David Mullen, who did not stand for re-election.

Mr. Bitelli brings extensive expertise to the Board as a Chartered Professional Accountant of British Columbia, with a career spanning over 40 years in the mining industry and public accounting. Throughout his career, Mr. Bitelli held the position of Chief Financial Officer ("CFO") in multiple public companies and has been an integral part of the senior management teams of various Lundin Group of Companies from 2007 to 2023, most recently, serving as CFO of Lundin Gold Inc. from 2016 to 2023. Additionally, and most notably, Mr. Bitelli served as CFO for Red Back Mining Inc., a gold mining company with operations in Africa, from 2007 to 2010, which was acquired by Kinross for \$9.2 billion in 2010. Mr. Bitelli also serves as a non-executive director on three other publicly listed companies.

In addition, on September 5, 2023, the Company's Board of Directors appointed Mr. Brent Bonney as Vice President, Corporate Development & Investor Relations.

Mr. Bonney was previously the Vice President of Corporate Development for Maverix Metals Inc. ("Maverix"), a precious-metals focused royalty company that was acquired by Triple Flag Precious Metals Corp. in 2023. Prior to Maverix, Mr. Bonney was a member of the investment banking group with Scotiabank Global Banking and Markets for 10 years, specializing in mergers and acquisitions, asset divestitures, strategic investments, and equity and debt financing, particularly in the metals and mining sector. Mr. Bonney holds a Bachelor of Commerce (Honours) in Finance from the University of British Columbia.

Private Placement

On August 11, 2023, the Company closed a non-brokered private placement, pursuant to which the Company sold an aggregate of 13,178,460 common shares at a price of \$6.50 per common share, generating aggregate gross proceeds of \$85.7 million (the "Financing"). Share issuance costs related to the Financing totaled \$2.4 million, and included professional fees, regulatory fees, and 5% finders' fees payable in cash on approximately \$20.6 million of the gross proceeds from the Financing.

As part of the Financing, Nemesia S.à.r.l. ("Nemesia") purchased 4,307,692 common shares pursuant to the terms outlined above, for gross proceeds of $28.0 million. Nemesia, Zebra Holdings and Investments S.à.r.l ("Zebra") and Lorito Holdings S.à.r.l. ("Lorito") are companies controlled by a trust settled by the late Adolf H. Lundin, and report their respective security holdings in the Company as joint actors, as the term is defined by Canadian securities regulations, and are related parties by virtue of their combined shareholding in the Company in excess of 20%.

In addition, as part of the Financing, directors of the Company purchased a total of 465,000 common shares pursuant to the terms outlined above, for gross proceeds of $3.0 million.

The common shares issued under the Financing were subject to a hold period, which expired on December 12, 2023.

The Company anticipates that it will deploy the majority of its treasury and capital resources, including the net proceeds resulting from the Financing, towards furthering exploration programs in Chile and Argentina, as well as for general corporate and working capital purposes.

RESULTS FROM OPERATIONS

Year Ended	Dec-23	Dec-22	Dec-21
Net loss ($000's)	37,718	32,415	5,457
Loss per share, basic and diluted ($)	0.21	0.20	0.04
Total assets ($000's)	81,293	32,312	25,733

NGEx Minerals is a junior exploration company and, as such, its net losses are largely driven by its exploration and project investigation activities and there is no expectation of generating operating profits until it identifies and develops a commercially viable mineral deposit.

Key financial results for the last eight quarters are provided in the table below.

Three Months Ended	Dec-23	Sep-23	Jun-23	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22
Exploration costs ($000's)	9,795	4,469	10,898	15,122	6,038	4,539	9,765	8,582
Operating loss ($000's)	11,714	8,675	12,116	16,483	8,384	6,243	10,497	9,296
Net loss ($000's)	8,614	4,218	9,719	15,167	8,020	6,068	9,651	8,676
Net loss per share, basic and diluted ($)	0.04	0.02	0.06	0.09	0.04	0.04	0.06	0.06

NGEx Minerals incurred a net loss of $37.7 million for the year ended December 31, 2023 (2022: $32.4 million), including an operating loss of $49.0 million (2022: $34.4 million). As a result of the Company's accounting policy to expense its exploration costs through the consolidated statement of comprehensive loss, except for mineral property option payments and mineral property acquisition costs, exploration and project investigation costs are the most significant expenditure category of the Company and for the year ended December 31, 2023, accounted for approximately 82% of the operating loss (2022: 84%). Due to the geographic location of the Company's mineral properties, the Company's business activities generally fluctuate with the seasons, through increased exploration activities during the summer months in South America. As a result, a general recurring trend is the increase in exploration expenditures, and therefore net losses, for the fourth quarter and first quarter of a fiscal year, relative to the second and third quarters. In addition, other relevant factors, such as the financial position of the Company, other corporate initiatives, as well as the type and scope of planned exploration or project work, could affect the level of exploration activities and net loss in a particular period.

Exploration and project investigation costs for the year ended December 31, 2023, were $40.3 million (2022: $28.9 million). The increase for the year ended December 31, 2023, is due primarily to the significant drill campaigns undertaken at Los Helados and Lunahuasi during the year, namely the Los Helados Program, the Maiden Lunahuasi Program, and the 2023-2024 Lunahuasi Program, as discussed in the "2023 Operating Highlights and Outlook" section above. By comparison, for the year ended December 31, 2022, the Company was also active at Los Helados and Lunahuasi, however the nature and scope of the work undertaken was relatively less extensive, resulting in lower exploration and project investigation costs. Namely, at Los Helados, the Company completed a small drill program in the first half of 2022 and launched the Los Helados Program in November 2022, and at Lunahuasi the Company completed preparations in advance of the planned start to the Maiden Lunahuasi Program in early 2023. However, the combined scope of these 2022 initiatives was significantly less than the extensive drilling and field work that was completed at both Los Helados and Lunahuasi during the year ended December 31, 2023. While the Company also undertook drilling at its Valle Ancho properties in the Province of Catamarca, Argentina, during the year ended December 31, 2022, this was only a relatively small reconnaissance program.

Excluding share-based compensation, administration costs for the year ended December 31, 2023 totaled $5.1 million (2022: $3.1 million). Share-based compensation, a non-cash cost, reflects the amortization of the estimated fair value of options over their vesting period and is based to a large degree on the Company's share price and its volatility. The actual future value to the option holders may differ materially from these estimates as it depends on the trading price of the Company's shares if and when the options are exercised. In addition, as the granting of options and their vesting is at the discretion of the Board, the related expense is unlikely to be uniform across quarters or financial years.

Administration costs, exclusive of share-based compensation costs, for the year ended December 31, 2023, were significantly higher than the 2022 comparative year primarily due to higher compensation costs. For the year ended December 31, 2023, the Company granted short-term incentive awards to certain employees and officers, and the Company also had a higher average personnel headcount and base compensation levels, to provide incremental resources and support in response to the Company's recent growth. In addition, professional fees for the year ended December 31, 2023, were higher due to increased legal and financial consultation incurred to explore strategic options with respect to potential transactions and financing. Lastly, for the year ended December 31, 2023, the Company also incurred higher office and general administration costs due to a greater focus on improving information technology (IT) security, as well as the impact of the Company's share price appreciation during 2022, which has resulted in higher annual stock exchange and regulatory fees in 2023.

The Company recognized a net monetary gain of $637,663 during the year ended December 31, 2023 (2022: $54,798), in relation to the application of hyperinflationary accounting for the Company's Argentine subsidiaries. The monetary gain recognized is the result of changes in the Argentine price indices and changes to the net monetary position of the Company's Argentine operating subsidiaries during the year. Further discussion regarding the application of hyperinflationary accounting has been provided in the notes to the consolidated financial statements.

From time to time, the Company acquires and transfers marketable securities as a mechanism to facilitate intragroup funding transfers between its Canadian parent and its Argentine operating subsidiaries. During the year ended December 31, 2023, the Company recognized a gain of $9.0 million (2022: $2.0 million) on the use of marketable securities for this purpose, which represents the net benefit of having used this funding mechanism over traditional methods. The increase in the gain is predominantly the result of more funding provided to its Argentine subsidiaries during the year ended December 31, 2023, relative to 2022.

No tax recovery is recognized as a result of the nature of the Company's activities and the lack of reasonably expected taxable profits in the near term.

In other comprehensive loss, the Company reported a foreign currency translation loss of $929,853 for the year ended December 31, 2023 (2022: gain of $310,220) on translation of subsidiary company accounts from their functional currency to the Canadian dollar presentation currency. For the year ended December 31, 2023, the gain is primarily the result of fluctuations of the Canadian dollar relative to the Chilean peso over the year. In addition, for the year ended December 31, 2023, the impacts of hyperinflation amounted a loss of $1,318,175 (2022: 84,302), which consists of adjustments recognized on the continuing inflation of opening non-monetary balances during the year and the ongoing translation of the Company's Argentine subsidiary into the Canadian dollar presentation currency. The increase in the loss during 2023 is primarily due to the significant devaluation of the Argentine peso relative to the Canadian dollar during the year.

LIQUIDITY AND CAPITAL RESOURCES

As at December 31, 2023, the Company had cash of $59.5 million and net working capital of $69.7 million compared to cash of $23.2 million and net working capital of $20.2 million as at December 31, 2022. The Company's cash and net working capital increased during the year ended December 31, 2023, due primarily to net proceeds received from the Financing, as discussed in the "2023 Corporate Highlights" section above, and to $1,527,892 in gross proceeds received pursuant to the exercise of stock options (2022: $495,847). The cash inflows have been partially offset by $15.0 million used for the purchase of short-term investments and funds used in operations, including mineral property and surface access rights payments, and for general corporate purposes.

Credit Facilities

On September 28, 2022, the Company obtained an unsecured US$ 3.0 million credit facility (the "2022 Facility") from Zebra and Lorito to provide financial flexibility to fund ongoing exploration and for general corporate purposes. Zebra and Lorito are related parties of the Company as discussed in the "2023 Corporate Highlights" section above.

As consideration for the 2022 Facility, Zebra and Lorito received 12,500 common shares upon execution thereof, and were entitled to receive an additional 200 common shares each month, for every US$ 50,000 in principal outstanding, prorated accordingly for the number of days outstanding. During the year ended December 31, 2023, the Company made no draws against the 2022 Facility, which matured on September 28, 2023, with no amounts drawn or outstanding. No interest was payable in cash during its term.

All common shares issued in conjunction with the facilities were subject to a four-month hold period under applicable securities laws.

RELATED PARTY TRANSACTIONS

Under the normal course of operations, the Company may undertake transactions or hold balances with related parties. Other than those related party transactions identified elsewhere in this MD&A, the Company may, from time to time, engage with Filo Corp. ("Filo"), a related party by way of directors, officers and shareholders in common, and MOAR Consulting Inc. ("MOAR"), an exploration consulting firm, of which a director of the Company is the president.

Related party services

The Company has cost sharing arrangements with Filo. Under the terms of these arrangements, the Company may, from time to time, provide management, technical, administrative and/or financial services (collectively, "Management Services") to Filo, and vice versa. In addition, the Company may, from time to time, engage MOAR to provide exploration consultation. These transactions were incurred in the normal course of operations, and are summarized as follows:

	Year ended December 31, 2023	2022
Management Services to Filo	285,642	364,343
Management Services from Filo	(436,784)	(902,414)
Exploration Consultation from MOAR	(11,825)	(12,750)

Related party balances

The amounts due from (to) related parties, and the components of the consolidated statement of financial position in which they are included, are as follows:

	Related Party	December 31, 2023	December 31, 2022
Receivables and other assets	Filo	67,466	112,163
Accounts payable and accrued liabilities	Filo	(52,858)	(186,449)

Key management compensation

The Company's key management personnel have the authority and responsibility for overseeing, planning, directing and controlling its activities and consist of the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

	Year ended December 31, 2023	2022
Salaries and other payments	912,411	572,667
Short-term employee benefits	26,825	17,514
Directors fees	97,000	92,458
Stock-based compensation	3,074,327	1,983,771
Short-term incentive bonuses	1,122,000	690,000
	5,232,563	**3,356,410**

MATERIAL ACCOUNTING POLICIES

The Company's material accounting policies are described in Note 3 to the consolidated financial statements for the year ended December 31, 2023, as filed on SEDAR+ at www.sedarplus.ca.

New Accounting Pronouncements

The IASB and/or the IFRS Interpretations Committee have issued new standards and amendments, or interpretations to existing standards, which were not yet effective and not applied by the Company as at December 31, 2023.

IAS 1, Presentation of Financial Statements

The IASB published *Non-current Liabilities with Covenants (Amendments to IAS 1)* to clarify how covenants with which an entity must comply within 12 months after the reporting period affect the classification of the related liability. Effectively, liabilities are to be classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. These amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption.

IAS 7, Statement of Cash Flows and IFRS 7, Financial Instruments: Disclosures

The IASB has also issued amendments to IAS 7 and IFRS 7 to include disclosure requirements of qualitative and quantitative details regarding supplier/vendor finance arrangements that will assist users of financial statements in evaluating any resulting effects to the reporting entity's liabilities and cash flows. The amendments are effective for annual periods beginning on or after January 1, 2024.

The Company does not expect adoption of these amendments to have a material impact on its consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the consolidated financial statements in accordance with IFRS Accounting Standards, such as the underlying consolidated financial statements for the year ended December 31, 2023, requires management to make estimates, assumptions and judgements that affect the reported amounts of assets, liabilities and expenditures. These estimates, assumptions and judgements are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience. Actual results could differ and such differences could be material. Estimates, assumptions and judgements are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates, assumptions and judgements, and the resulting effects on the carrying amounts of the Company's assets and liabilities, are accounted for prospectively. Information about estimates, assumptions, judgements and other sources of estimation uncertainty as at December 31, 2023 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are provided below:

Valuation of mineral properties – The Company carries the acquisition costs of its mineral properties at cost less any provision for impairment. At each reporting date, the Company reviews its mineral properties for indicators of impairment, which requires the Company to exercise key judgements, including but not limited to, the Company's right to explore the mineral property, whether the Company has further plans or budgets for substantive expenditures for the ongoing exploration and evaluation of the mineral property, the impact of exploration and evaluation results to date with respect to the mineral property, and the likelihood that the carrying value of the mineral property will be recovered in the future through development or sale of the asset. If indicators of impairment are identified, the Company would further review the carrying values of the applicable mineral properties to determine if their carrying values may exceed their fair value, which also requires the Company to make significant judgments and estimates. The judgments and estimates mentioned above are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties.

The Company has determined that no indicators of impairment exist for its mineral properties as of December 31, 2023.

FINANCIAL INSTRUMENTS

As at December 31, 2023, the Company's financial instruments consist of cash, receivables and other assets, short-term investments, trade payables and accrued liabilities, and the amounts due to its exploration partner, NCR. Other than for the amounts due to its exploration partner, the carrying values of the Company's financial instruments are considered to be reasonable approximations of fair value due to their short-term nature. For amounts due to its exploration partner, the Company revalues the liability from time to time based on revisions to the timing and amounts of expected future settlement, which the Company believes is a reasonable approximation of fair value. Between revaluations, the liability is accreted.

As at December 31, 2023, the Company's financial instruments are exposed to the following financial risks, including credit, liquidity and currency risks:

(i) Credit risks associated with cash is mitigated by the Company's practice of holding the majority of its cash with Canadian financial institutions that have been accorded a strong investment grade rating by a primary rating agency or received adequate deposit insurance coverage.

(ii) Liquidity risks associated with the inability to meet obligations as they become due are minimized through the management of its capital structure and by maintaining good relationships with significant shareholders and creditors, such as Nemesia, Zebra and Lorito. The Company also closely monitors and reviews its costs to date and actual cash flows on a monthly basis.

The maturities of the Company's financial liabilities as at December 31, 2023 are as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	7,189,838	7,189,838	-	-
Due to exploration partner	4,432,169	-	-	4,432,169
Total	**11,622,007**	**7,189,838**	**-**	**4,432,169**

In accordance with the terms of a Joint Exploration Agreement between the Company and the partner, NCR, the Company is required to fund NCR's share of exploration expenditures related to the La Rioja properties (the "Obligation"). The undiscounted value of the Obligation remained US$ 3.4 million as of December 31, 2023, and has no defined timeline for settlement. The Obligation has been discounted at an annual effective rate of 8%, and recorded at its present value having the Canadian dollar equivalent of $634,740 at December 31, 2023 (2022: $630,460). The figure provided in the preceding table represents the Canadian dollar equivalent of the liability on an undiscounted basis.

(iii) Foreign currency risk can arise when the Company or its subsidiaries transact or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

As at December 31, 2023, the Company's largest foreign currency risk exposure existed at the level of its Canadian headquarters, where the Company held a net financial asset position denominated in US dollars having a Canadian dollar equivalent of approximately $8.6 million. A 10% change in the foreign exchange rate between the US dollar, and the Canadian dollar, NGEx Minerals' functional currency, would give rise to increases/decreases of approximately $860,000 in financial position/comprehensive loss.

OUTSTANDING SHARE DATA

As at March 22, 2024, the Company had 187,677,658 common shares outstanding and 11,838,332 share options outstanding under its share-based incentive plan.

RISKS AND UNCERTAINTIES

The operations of the Company are speculative due to the high-risk nature of its business, which includes the acquisition, financing, exploration, development and operation of mineral and mining properties. There are a number of factors that could negatively affect the Company's business and the value of its common shares, and these risk factors could materially affect the Company's future operations and financial position and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Significant risk factors have been identified by the Company and are listed below. Further discussion and additional risk factors are also available in the Company's most recent AIF, as filed on SEDAR+ at www.sedarplus.ca. The following information pertains to the outlook and conditions currently known to the Company that could have a material impact on the financial condition of the Company. Other factors may arise that are not currently foreseen by management of the Company that may present additional risks in the future. Current and prospective security holders of the Company should carefully consider these risk factors, as they could materially affect the Company's future operations and could cause actual events to differ materially from those described in forward-looking statements relating to the Company.

Exploration and Development Risk

Mineral exploration, development and operations generally involve a high degree of risk that cannot be eliminated, and which can adversely impact the Company's success and financial performance. Exploration for, and development of, mineral deposits involve a high degree of risk and few properties that are explored are ultimately developed into producing mines.

Discovery of mineral deposits is dependent upon a number of factors, not the least of which are the technical skills of the exploration personnel involved and the capital required for the programs. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. There is no assurance that the Company's mineral exploration activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that even if commercial quantities of ore are discovered that a new ore body would be developed and brought into commercial production. The commercial viability of a mineral deposit once discovered is dependent upon a number of factors, some of which are discussed elsewhere in this MD&A, and include the particular attributes of the deposit (such as size, grade, metallurgy, expected recovery rates of metals from the ore and proximity to infrastructure and labour), the interpretation of geological data obtained from drilling and sampling; feasibility studies; the cost of water and power; anticipated climatic conditions; cyclical metal prices; fluctuations in inflation and currency exchange rates; higher input commodity and labour costs; commodity price fluctuations; government regulations, including regulations relating to prices, taxes, royalties, land tenure and use, allowable production, importing and exporting of minerals, and environmental protection. Most of the above factors are beyond the control of the Company. Development projects will also be subject to the successful completion of final feasibility studies, issuance of necessary permits and other governmental approvals and receipt of adequate financing, as major expenses are typically required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. The exact effect of these factors cannot be accurately predicted, but the combination of any of these factors may adversely affect the Company's business.

The Company's operations are subject to all of the hazards and risks normally encountered in the exploration and development of copper, gold, and silver projects and properties, including unusual and unexpected geologic formations, seismic activity, rock slides, ground instabilities or failures, mechanical failures, precipitation, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, facilities, damage to life or property, environmental damage and possible legal liability.

As appropriate, the Company may seek to mitigate its exploration risk by diversifying its portfolio, or through the establishment of joint ventures and option agreements with third parties.

Mineral Resource Estimates

The Company's reported Mineral Resources are estimations only. No assurance can be given that the estimated Mineral Resources are accurate or that the indicated level of copper, gold, silver or any other mineral can ultimately be recovered or produced. By their nature, Mineral Resource Estimations are imprecise and depend, to a certain extent, upon statistical inferences, which may ultimately prove unreliable because, among other factors, they are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Actual mineralization or formations may be different from those predicted. Mineral Resource Estimations may require revision (either up or down). There are numerous uncertainties inherent in estimating Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Resource Estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. There can be no assurance that recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions. In particular, factors that may affect Mineral Resource Estimates include:

- changes in interpretations of mineralization geometry and continuity of mineralization zones;
- input parameters used to constrain mining shapes and slopes;
- metallurgical and mining recoveries;
- operating and capital cost assumptions;
- metal price and exchange rate assumptions;
- confidence in modifying factors, including assumptions that surface rights to allow infrastructure to be constructed will be forthcoming;
- delays or other issues in reaching agreements with local or regulatory authorities and stakeholders;
- changes in land tenure requirements or permitting requirements from those discussed in the report; and
- changes in the environmental regulations or laws governing the property.

Changes in key assumptions and parameters could result in a restatement of Mineral Resource Estimates. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability and there is no assurance that they will ever be mined or processed profitably. Due to the uncertainty which may attach to Mineral Resources, there is no assurance that all or any part of Measured or Indicated Mineral Resources will ever be converted into Mineral Reserves. Any material reductions in estimates of Mineral Resources could have a material adverse effect on the Company's results of operations and financial condition.

It may take many years from the initial phase of drilling before production is possible and during that time the economic outlook and feasibility of exploiting a discovery may change, due to changes in factors such as, but not limited to, the market price of copper, gold and silver and certain other metals, production and capital costs, or reduced recovery rates. Such changes may have negative impacts on the merit of continued exploration and development related to the Company's Mineral Resources and may therefore have negative effects on its business.

Permitting

The Company's development and exploration activities are subject to permitting requirements in both Argentina and Chile. In particular, comprehensive environmental assessments will be necessary in Chile for any future development of Los Helados, and similarly in Argentina for Valle Ancho and Lunahuasi. Following the receipt of environmental approvals, additional permits, licences, authorizations, and certificates will be required to proceed to project construction, including, for example, mining water and fuel delivery, sewage water treatment, hazardous waste plans, drilling and closure plans. Failure to obtain required permits and/or to maintain compliance with permits once obtained could result in injunctions, fines, suspension or revocation of permits and other penalties. There can be no assurance that the Company will obtain all such permits and/or achieve or maintain full compliance with such permits at all times. Activities required to obtain and/or achieve or maintain full compliance with such permits can be costly and involve extended timelines. Previously issued permits may be suspended or revoked for a variety of reasons, including through government or court action. Failure to obtain and/or comply with required permits can have serious consequences, including: damage to the Company's reputation, stopping the Company from proceeding with the development of a project, negatively impacting further development of a mine, and increasing the costs of development and litigation or regulatory action against the Company and/or its directors and officers, and may materially adversely affect the Company's business, results of operations or financial condition.

Foreign Operations Risk

The Company conducts exploration activities in foreign countries, including Argentina and Chile. Each of these countries exposes the Company to risks that may not otherwise be experienced if all operations were located in Canada. The risks vary from country to country and can include, but are not limited to, civil unrest or war, national border disputes, terrorism, illegal mining, changing political conditions, fluctuations in currency exchange rates, expropriation or nationalization without adequate compensation, changes to royalty and tax regimes, high rates of inflation, labour unrest and difficulty in understanding and complying with the regulatory and legal framework respecting ownership and maintenance of mineral properties, as well as the revocation or suspension of previously issued mining permits. Changes in mining or investment policies or shifts in political attitudes may also adversely affect the Company's existing assets and operations. Real and perceived political risk may also affect the Company's ability to finance exploration programs and attract joint venture or option partners, and future mine development opportunities. Chile is typically viewed as a favourable mining jurisdiction; however, certain Canadian issuers have recently experienced regulatory action with regards to Chilean operations, specifically with respect to increased permitting timelines.

Numerous countries have introduced changes to mining regimes that reflect increased government control or participation in the mining sector, including, but not limited to, changes of law affecting foreign ownership, mandatory government participation, taxation and royalties, exploration licensing, export duties, and repatriation of income or return of capital. There can be no assurance that industries, which are deemed of national or strategic importance in countries in which the Company has assets, including mineral exploration, will not be nationalized. There is a risk that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Company. There can be no assurance that the Company's assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Company also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict such developments or changes in laws or policy or to what extent any such developments or changes may have a material adverse effect on the Company.

Non-compliance with applicable laws, regulations and permitting requirements (including allegations of such) may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed or causing the withdrawal of permits or mining licenses, and the imposition of corrective measures requiring material capital expenditure or remedial action resulting in materially increased cost of compliance, reputational damage and potentially impaired ability to secure future approvals and permits. The Company may be required to compensate third parties for loss or damage and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Recurrent economic crisis and governmental intervention in the economy

During an economic crisis from 2001 to 2003 and again in 2014 and 2020, Argentina defaulted on foreign debt repayments and on the repayment on a number of official loans to multinational organizations.

The Argentine government exercises substantial control over the economy and may increase its level of intervention in certain areas of the economy, including through the regulation of market conditions and prices. In the past, the Argentine government has increased state intervention in the economy, including through expropriation and nationalization measures, price controls, exchange controls, establishment of minimum salary levels and mandatory employee benefits and restrictions on capital flows. In the future, the level of intervention in the economy by the Argentine government may continue or increase, including in response to social unrest, through expropriation, nationalization, intervention, forced renegotiation or modification of existing contracts, new taxation policies, establishment of price controls, changes in laws, regulations and policies affecting foreign trade and investment. These measures may adversely affect Argentina's economy and, in turn, the Company's business, results of operations and financial condition.

Economic and Political Instability in Argentina

Some of the Company's mineral properties, such as Valle Ancho and Lunahuasi, are located in Argentina. There are risks relating to an uncertain or unpredictable political and economic environment in Argentina, and there may be material adverse consequences with respect to the Company and its operations as a result of the political or economic instability in Argentina.

In a runoff to the election held on November 19, 2023, Javier Milei defeated center-left candidate and the incumbent finance minister, Sergio Massa, to become Argentina's President. Since taking office on December 10, 2023, President Milei has introduced sweeping economic reforms, including devaluation of the country's official peso exchange rate against the United States dollar, removing several government subsidies, reducing the size of the government and proposing an omnibus bill with numerous articles, which was ultimately withdrawn after failing to obtain sufficient support from Congress. Economic and political uncertainty in Argentina continues to persist as of the date of this MD&A as the nature, extent or scope of changes to be introduced by President Milei and enacted, if any, and the resulting impacts are undeterminable at this time, which may include, but are not limited to, changes to the gains resulting from the Company's use of marketable securities as a funding mechanism of its operations in Argentina

Changes in local and federal administrations may also imply changes to current programs and policies affecting the Company's business and operations. Both Argentina's President and its Congress have considerable power to make decisions and determining government policies and actions that relate to the Argentine economy. Furthermore, some of the measures proposed by the government may also generate political and social opposition, which may in turn prevent the government from adopting its proposed measures.

The Company cannot foresee the measures that could be taken by any future administration, national or provincial, and the effects that such measures could have on the Argentine economy and in Argentina's ability to meet its financial obligations, that could adversely affect the Company's business, financial condition and results of operations.

Economic and Political Uncertainty in Chile

Evolving Constitutional and Legislative Landscape in Chile

On December 17, 2023, Chileans rejected a draft constitution proposed to replace its current text, representing the second draft rejected by voters in as many years, with the first having occurred in a national referendum held in September 2022. Drafting of new constitutions and the resulting votes have occurred over a period of political and legislative uncertainty in Chile which began in late 2019 and has been underscored by frequent widescale public demonstrations demanding, among other things, constitutional, social and legal reforms.

With the results of two recent plebiscites now confirming the status quo, President Boric indicated that a third constitutional process will not be undertaken prior to the end of his term in 2026. The foregoing notwithstanding, as of the date of this MD&A, the Company cannot anticipate whether there will be any constitutional or legislative changes in Chile in the future. Any constitutional or legislative changes in Chile that impact management of the country's natural resources, or labor and social security legislation, among other matters, could affect the Company's business, financial condition and results of operations in Chile, specifically in relation to the Los Helados Project.

Uncertain Fiscal Policies Impacting Mining

On August 10, 2023, Law No. 21,591, also known as the Mining Royalty Law, was published in the Official Gazette of Chile, which eliminated the specific mining tax and established a new mining royalty tax. The new royalty tax comprises two main components: an ad valorem component which is only applicable to larger mining operations meeting certain annual sale thresholds, and a tax levied on mining operating margins. The new law also established maximum tax burdens on mining businesses.

While the recent changes to mining taxes and royalties in Chile have no immediately measurable impact on the Company's business, they do highlight the ability of the government to introduce tax and royalty reforms which could materially affect the Company's business interests in Chile, such as the Los Helados Project. Other changes could be considered or proposed in the future, including but not limited to increases to mining or income taxes, new royalties, changes to value added taxes, or increases or removal of maximum tax limits for mining companies. Such changes in the future could affect the Company's business, financial condition and results of operations in Chile.

Health and Safety Hazards

Mineral exploration and operations involve health and safety hazards that could adversely affect the Company's reputation, business and future operations. By nature, exploration and mining activities present a variety of hazards and associated health and safety risks. Workers involved at the Company's sites are subject to many inherent health and safety risks and hazards, including, but not limited to, rock falls, slides or bursts, equipment or structural fires, falls of ground, floods, chemical and biological hazards, mineral dusts, atmospheric hazards including low oxygen levels, gases and fumes, high altitude work, use of explosives, noise, electricity, fixed and moving equipment, civil disturbances and criminal activity, which could result in occupational illness or health issues, personal injury, loss of life, and/or facility and workforce evacuation. Even though robust health and safety controls and risk mitigation measures are in place across the Company's operations, health and safety incidents may occur. The overall management of health and safety is governed in accordance with the requirements of the Company's Responsible Mining Development Policy. While significant effort is made to control and eliminate potential health and safety risks, these risks cannot be eliminated and may adversely affect the Company's reputation, business, and future operations.

Incidents resulting in serious injury or death, or those having a negative impact on surrounding communities (real or perceived) could result in litigation, civil or criminal sanctions, regulatory action (including, but not limited to suspension of operations and/or fines and penalties), increased community tensions, or otherwise adversely affect the Company's reputation and ability to meet its objectives.

Environmental and Socio-Political Risks

Present or future laws and regulations with respect to environmental protection standards or corporate social responsibility may affect the Company's operations. Environmental legislation is evolving in a manner that has trended towards stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that regulatory and environmental approvals will be obtained on a timely basis or at all. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations or to preclude entirely the economic development of a property.

Regulations governing development of mining operations with the potential to affect glaciers continues to evolve in both Chile and Argentina. Argentina's Congress has passed legislation designed to protect the country's glaciers. This law would restrict development on and around glaciers. The detailed regulations that will govern implementation of the law have not yet been written but this legislation could affect the Company's ability to develop parts of the Company's properties in Argentina, including Valle Ancho and Lunahuasi.

The Company is currently engaged in exploration with limited environmental impact. Future environmental costs may increase due to changing requirements or costs associated with exploration and the developing, operating and closing of mines, as well as with respect to changing requirements for disclosure and compliance. The Company is subject to environmental regulation in the various jurisdictions in which it operates. Failure to comply with these laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may also be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Furthermore, environmental hazards may exist on the properties on which the Company holds interests which are unknown to the Company at present and which have been caused by previous or existing owners or operators of the properties.

Programs may also be delayed or prohibited in some areas due to technical factors, new legislative constraints, social opposition or local government capacity or willingness to issue permits to explore in a timely manner.

In Argentina, including in La Rioja Province, there has been from time to time environmental opposition to both mineral exploration and mining. Accordingly, there may be a certain degree of anti-mining sentiment that could potentially affect the risk of successfully exploring and developing the Company's assets in those provinces.

In Chile, the current administration is discussing changes with respect to the environmental legal framework, which may affect the environmental and socio-political landscape in the country. In addition, the Chilean Congress is also considering legislation designed to protect the country's glaciers. No such changes have yet been introduced into the current draft of the constitution and accordingly, no proposed legislation has been approved as of the date of this MD&A. However, any changes ultimately adopted into the Chilean constitution or enacted into new legislation by Chile which impact its environmental and socio-political landscape could affect the Company's ability to develop the Los Helados Project, the costs associated therewith, or more generally, the Company's business, financial condition and results of operations.

In Argentina, Congress has passed legislation designed to protect the country's glaciers. This law would restrict development on and around glaciers. The detailed regulations that will govern implementation of the law have not yet been written but this legislation could affect the Company's ability to develop parts of the Company's properties in Argentina. There is no assurance that future changes in regulations designed to protect the country's glaciers, or broader changes to Argentina's environmental protection regulations, if any, will not adversely affect the Company's ability to develop its mineral properties in Argentina, including the Lunahuasi Project, the costs associated therewith, or more generally, the Company's business, financial condition and results of operations.

Uncertainty of Long-Term Funding and Dilution of Shareholders' Interests in the Company

The exploration and development of mineral properties requires a substantial amount of capital and may depend on the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. General market conditions which may be impacted by geopolitics or international conflict, volatile metals prices, a claim against the Company, a significant disruption to the Company's business, or other factors may make it difficult to secure the necessary financing in the long term. There is no assurance that the Company will be successful in obtaining required financing as and when needed on acceptable terms. Failure to obtain any necessary additional financing may result in delaying or indefinite postponement of exploration or development or even a loss of property interest. If the Company needs to raise additional funds, such financing may substantially dilute the economic and voting rights of the Company's shareholders and reduce the value of their investment. Since the Company's capital needs depend on market conditions and other factors beyond its control, it cannot predict or estimate the amount, timing or nature of any such future offering of securities. Thus, holders of common shares of the Company bear the risk of any future offerings reducing the market price of the common shares and diluting their shareholdings in the Company.

Metal Price Risk

The Company's portfolio of properties and investments have exposure to predominantly copper, gold, and silver prices. Commodity prices fluctuate widely and are affected by numerous factors beyond the Company's control, such as the sale or purchase of metals by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the US dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major metals-producing and metals-consuming countries throughout the world. The prices of these metals greatly affect the value of the Company, the price of the common shares of the Company and the potential value of its properties and investments. This, in turn, greatly affects its ability to form joint ventures, option agreements and the structure of any joint ventures formed. This is due, at least in part, to the underlying value of the Company's assets at different metals prices.

Title Risk

The Company has investigated its right to explore and exploit its properties and, to the best of its knowledge, those rights are in good standing. The results of the Company's investigations should not be construed as a guarantee of title. Other parties may dispute the title to a property, or the property may be subject to prior unregistered agreements or liens and transfers or land claims by aboriginal, native, or indigenous peoples. The title may be affected by undetected encumbrances or defects or governmental actions. The Company has not conducted surveys of all of its properties, and the precise area and location of claims or the properties may be challenged, and no assurances can be given that there are no title defects affecting such properties. The rules governing mining concessions in Chile and Argentina are complex and any failure by the Company to meet requirements would have a material adverse effect on the Company. Any defects in the title to the Company's properties could have a material and adverse effect on the Company.

No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Although the Company has not had any problem renewing its licenses in the past there is no guarantee that it will always be able to do so. Inability to renew a license could result in the loss of any project located within that license.

Joint Ventures

The Company holds an approximate 69.1% ownership interest in the Los Helados Property, and a 60.0% interest in the La Rioja properties, with the remaining respective interests of approximately 30.9% and 40.0% held by its joint exploration partner, NCR, pursuant to the JEA. While the Company is the operator of these assets, it may be subject to limitations and obligations under the JEA which may result in the Company's inability to pursue certain strategic initiatives or undertake the operations it would if it were the sole owner. The Company's operations at the Los Helados Project and the La Rioja properties are subject to the risks normally associated with the conduct of jointly-held projects and joint ventures, which may include, but are not limited to: disagreement or conflict with the partner on how to develop and operate the mine efficiently; inability or unwillingness of the partner to meet its obligations to the joint venture or third parties; the partner having economic or business interests or goals that are, or become, inconsistent with the Company's business interests or goals; bankruptcy of the partner; disputes or disagreement arising between the Company and its partner regarding operational or strategic decisions such as project financing, resource allocation, development milestones and offtake matters; litigation regarding joint venture matters; or breach, default or incompliance of the partner in respect of the JEA. The existence or occurrence of one or more of the foregoing circumstances and events could have a material adverse impact on the profitability, future cash flows, earnings, results of operations and financial condition of the Los Helados Project or the Company as a whole.

Surface Access

Argentina

In Argentina, mining rights, differ from the surface property rights. The Argentine Mining Code sets out rules under which surface rights and easements can be granted for a mining operation, and covers aspects including land occupation, rights-of-way, access routes, transport routes, rail lines, water usage and any other infrastructure needed for operations. In general, compensation must be paid to the affected landowner in proportion to the amount of damage or inconvenience incurred. However, no provisions or regulations have been enacted as to the nature or amount of the compensation payment. In instances where no agreement can be reached with the landowner, the Argentine Mining Code provides the mining right holder with the right to request the expropriation of the required property.

The Company has surface access rights but does not own any surface rights at the Lunahuasi Project or the La Rioja properties. The owners are the respective provincial states. However, in 2021 a group of claimants, known as the Lancaster Group, filed an opposition to the access easements allegedly based on their capacity as owners of a ranch covering the area of the Lunahuasi Project and La Rioja properties. As of the date of this MD&A, and to the knowledge of the Company, the Lancaster Group has not provided legal evidence of their ownership claims, such as registration of the surface land on the Real Estate Registry of the Province of San Juan and there is no legal evidence of their ownership. If the Lancaster Group were able to provide evidence of ownership of the land it is likely that the Administrative Court of Mines would uphold their right to compensation for use of the land for the time not covered by the statute of limitations. Access to the properties has not been affected for the Company. From time to time, a land possessor may dispute the Company's surface access rights and, as a result, the Company may be barred from its legal temporary occupation rights. Surface access issues have the potential to result in the delay of planned exploration programs, and these delays may be significant. Such delays may have a material adverse effect on the Company.

The Company may require additional surface rights and property interests to further develop or exploit the Mineral Resources on its properties, which will require negotiations with private landowners for the additional ownership and/or surface rights for the Company to fully operate. Surface rights may also be regulated and restricted by applicable law. There is no assurance that the Company will be able to obtain the required surface rights or negotiate successfully with private landowners to allow it to develop its properties and establish commercial mining operations on a timely basis. To the extent additional surface rights are available, they may only be acquired at significantly increased prices, potentially adversely impacting financial performance of the Company.

Chile

Per the provisions outlined in the Chilean Mining Code, the mining concession is a right, distinct and independent from the ownership of the surface property, even if it has the same owner. Therefore, a mining concessionaire (such as the Company) must have a property, contractual or legal right to carry out mining activities over surface land, each as further detailed below.

a) Property rights: where the mining concessionaire owns the superficial property, it can carry out mining activities without the need to obtain authorization from third-party owners.

b) Contractual rights: the following contracts, among others, are noteworthy:

    i. Lease: agreement with the owner of the surface property, which allows the mining concessionaire to carry out mining activities and to appropriate what is extracted.

    ii. Land use authorization: agreement with the owner of the surface property, which allows the mining concessionaire to access the property and proceed with prospection and exploration activities.

c) Legal rights: easements, in accordance with the provisions set forth in the Chilean Mining Code where a titleholder of a mining concession, whether for exploration or exploitation, shall have the right to constitute easements over the surface land to enable the comfortable exploration or exploitation of its concessions. These easements may be:

    i. Voluntary: the owner of the surface land agrees to the easement and enters into an easement agreement with the mining concessionaire, regulating, among other things, the location, purpose and duration of the easement, together with the compensation the mining concessionaire shall pay the surface landowner for the use of his land.

    ii. Judicial: if the owner of the surface land does not agree to the easement, the mining concessionaire may file a claim to the civil courts. If the mining concessionaire fulfills certain requirements (effective potential for exploration and/or exploitation of mineral substances), the civil courts shall grant the easement, indicating the easement's location, purpose, duration and corresponding compensation. The easement is temporary and will cease to exist once the mining concession's exploitation or development is completed.

The Company has surface access rights but does not own any surface rights at the Los Helados Project. The owners of the surface rights are in agreement with the Company's subsidiaries in conducting activities on their ground and the Company has entered into agreements with the owners providing for access to the Los Helados Project.

From time to time, a land possessor may dispute the Company's surface access rights and, as a result, the Company may be barred from its legal temporary occupation rights. Surface access issues have the potential to result in the delay of planned exploration programs, and these delays may be significant. Such delays may have a material adverse effect on the Company.

The Company may require additional surface rights and property interests to further develop or exploit the resources on its properties, which will require negotiations with private landowners for the additional ownership and/or surface rights for the Company to fully operate. Surface rights may also be regulated and restricted by applicable law. There is no assurance that the Company will be able to obtain the required surface rights or negotiate successfully with private landowners to allow it to develop its properties and establish commercial mining operations on a timely basis. To the extent additional surface rights are available, they may only be acquired at significantly increased prices, potentially adversely impacting financial performance of the Company.

Conflicts of Interest

Some of the directors, officers and employees of the Company are also directors, officers or employees of other companies that are similarly engaged in the business of acquiring, exploring and developing natural resource properties. Of particular note, certain individuals also serve as directors or officers of Filo and are subject to the terms of the shared services arrangements. Such associations may give rise to conflicts of interest from time to time. One of the consequences will be that corporate opportunities presented to a director or employee/officer of the Company may be offered to another Company or companies with which the director or employee/officer is associated and may not be presented or made available to the Company. The directors and employees/officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company, to disclose any interest that they may have in any project or opportunity of the Company, and to abstain from voting on such matter. Conflicts of interest that arise will be subject to and governed by the procedures prescribed by the Company's Code of Business Conduct and Ethics and the Canada Business Corporations Act.

Significant Shareholders

As of the date of this MD&A, the Company's current largest shareholder is Nemesia, a private company controlled by a trust settled by the late Adolf H. Lundin (the "Lundin Family Trusts"). Nemesia currently holds 69,848,987 common shares of the Company, which represents approximately 37.2% of the Company's issued and outstanding common shares.

Companies controlled by the Lundin Family Trusts, such as Nemesia, Zebra, Lorito, Lorito Floreal S.à.r.l ("Lorito Floreal"), Lorito Arole S.à.r.l ("Lorito Arole") and Lorito Orizons S.à.r.l ("Lorito Orizons"), are considered as joint actors, as the term is defined by Canadian securities regulations, and have historically held significant portions of the Company's issued and outstanding common shares, individually or collectively.

As a result of its significant shareholding in the Company, Nemesia is subject to certain requirements under Canadian securities laws with respect to reporting and trading in the Company's common shares, as well as with respect to certain transactions. The Company does not control these entities, and their interests may differ from those of other shareholders. As long as Nemesia, along with the other companies controlled by the Lundin Family Trusts, maintain significant interests in NGEx Minerals, they may exert certain influence with respect to matters that are determined by the votes of shareholders. As a result of the significant holdings of these entities, individually or in the aggregate, there is a risk that the Company's common shares are less liquid and trade at a relative discount compared to circumstances where these entities did not have the ability to influence or determine matters affecting NGEx Minerals. Additionally, there is a risk that their significant interests in NGEx Minerals discourages transactions involving a change of control of NGEx Minerals, including transactions in which an investor, as a holder of the Company's securities, would otherwise receive a premium for its securities in the Company over the then-current market price.

Global Financial Conditions Can Reduce Share Prices and Limit Access to Financing

The economic viability of the Company's business plan is impacted by the Company's ability to obtain financing. The economic conditions and outlook of the jurisdictions in which the Company's projects reside, and more generally global economic conditions, may impact the general availability of financing through public and private debt and equity markets, as well as through other avenues.

Significant political, market, economic, natural or manmade events may have wide-reaching effects and, to the extent they are not accurately anticipated or priced into markets, may result in sudden periods of market volatility and correction. Periods of market volatility and correction may have an adverse impact on economic growth and outlook, as well as lending and capital markets activity, all of which may impact the Company's ability to secure adequate financing on favourable terms, or at all.

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various macro-level events, such as the COVID-19 pandemic and the Russia-Ukraine war, and the related government responses. This has resulted in inflation causing rising fuel, energy, and transportation costs and variable demand. As global events evolve, there is no guarantee that credit market conditions will not worsen. A general risk-adverse approach to investing, decreases in consumer spending and increases in the unemployment rate and consumer debt levels, which may become more predominant as a result of market turmoil, may limit the Company’s ability to obtain future equity financing. Inability to obtain financing at all, or on acceptable terms, may have a material adverse effect on the Company’s business, financial condition, results of operations, cash flows or prospects.

Other events may also result in volatility and disruption to global supply chains, operations, mobility of people, patterns of consumption and service, and financial markets, and therefore potentially have a negative impact on the Company’s ability to secure financing on favourable terms, or at all, its access to its projects, or its ability to execute its business initiatives, including its field programs. Such events may include catastrophic events, either on a global scale or in the specific jurisdictions where the Company has its projects, and include, but are not limited to, financial crises, such as that which occurred globally in 2008, earthquakes, tsunamis, floods, typhoons, fires, power disruptions, other natural or manmade disasters, terrorist attacks, wars, riots, civil unrest or other conflicts, outbreaks of a public health crises, including epidemics, pandemics or outbreaks of new infectious diseases or viruses, as well as related and attendant events.

Furthermore, general market, political and economic conditions, including, for example, inflation, interest and currency exchange rates, structural changes in the global mining industry, global supply and demand for commodities, political developments, legislative or regulatory changes, social or labour unrest and stock market trends will affect the Company’s operating environment and its operating costs, profit margins and share price. Uncertainty or adverse changes relating to government regulation, economic and foreign policy matters, and other world events have the potential to adversely affect the performance of and outlook for the Canadian and global economies, which in turn may affect the ability of the Company to access financing on favourable terms or at all. The occurrence of negative sentiment or events in the Canadian and broader global economy could have a material adverse effect on the Company’s business, financial condition, results of operations, cash flows or prospects.

Currency Risk

The Company transacts business in a number of currencies including but not limited to the US Dollar, the Argentine peso and the Chilean peso. The Argentine peso in particular has had significant fluctuations in value relative to the US and Canadian dollars. Ongoing economic uncertainty in Argentina as well as unpredictable changes to foreign exchange rules may result in fluctuations in the value of the Argentine peso that are greater than those experienced in the recent past. Fluctuations in exchange rates may have a significant effect on the cash flows of the Company. Future changes in exchange rates could materially affect the Company’s results in either a positive or a negative direction. The Company does not currently engage in foreign currency hedging activities.

Information Systems and Cyber Security

The Company's operations depend on 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 information system failures, delays and/or increase in capital expenses. The failure of information 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.

QUALIFIED PERSON AND TECHNICAL INFORMATION

The scientific and technical disclosure included in this MD&A have been reviewed and approved by Bob Carmichael, P. Eng. (BC). Mr. Carmichael is the Company's Vice-President of Exploration and a Qualified Person under National Instrument 43-101 Standards of Disclosure for Mineral Projects. ("NI 43-101").

Mineral Resource Estimates for the Los Helados Project have an effective date of October 31, 2023. The key assumptions, parameters, and methods used to estimate this Mineral Resource Estimate are contained in the 43-101 technical report entitled "*Technical Report on the Los Helados and Lunahuasi Projects, Chile and Argentina*", dated December 13, 2023 (the "Technical Report"), prepared by Luke Evans, M.Sc., P.Eng., SLR Consulting (Canada) Ltd., and Giovanni Di-Prisco, Ph.D., P.Geo., Terra Mineralogical Services Inc. This report is available on the Company's website at www.ngexminerals.com or under the Company's profile at www.sedarplus.ca

Mineral Resources are reported using a CuEq cutoff grade. Copper equivalent is calculated using US$ 3.90/lb copper, US$ 1,800/oz gold and US$ 20/oz silver, and includes a provision for selling costs and metallurgical recoveries corresponding to three zones defined by depth below surface. The formulas used are: CuEq% = Cu% + 0.681008*Au (g/t) + 0.002989*Ag (g/t) for the Upper Zone (surface to ~ 250 m); Cu% + 0.692039*Au (g/t) + 0.004877*Ag (g/t) for the Intermediate Zone (~250 m to ~600 m); Cu% + 0.688852*Au (g/t) + 0.006068*Ag (g/t) for the Deep Zone (> ~600 m).

Copper equivalent values reported for the Los Helados Program were based on US$ 3.50/lb Cu, US$ 1,700/oz Au and US$ 20/oz Ag. Copper equivalent values reported for the Maiden Lunahuasi Program and the 2023-2024 Lunahuasi Program were based on US$ 3.00/lb Cu, US$ 1,500/oz Au and US$ 18/oz Ag. Respective assumed metal recoveries and CuEq formulae are as presented in the footnote to the associated tables of summarized drill results (see "2023 Operating Highlights and Outlook" section above).

The Company's Mineral Resources as reported in this MD&A have been prepared in accordance with the CIM Definition Standards that are incorporated by reference in NI 43-101.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made and information contained herein in the MD&A constitutes "forward-looking information" and forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking information" or "forward-looking statements") concerning the business, operations, financial performance and condition of NGEx Minerals. The forward-looking information contained in this MD&A is based on information available to the Company as of the date of this MD&A. Except as required under applicable securities legislation, the Company does not intend, and does not assume, any obligation, to update this forward-looking information. Generally, any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance, (often, but not always, identified by words or phrases such as "plans", "expects" or "does not expect", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "projects", "targets", "assumes", "strategy", "goals", "objectives", "potential", "possible", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events, conditions or results "will", "may", "could", "would", "should", "might" or "will be taken", "will occur" or "will be achieved" or the negative connotations thereof and similar expressions) are not statements of historical fact and may be forward-looking statements.

All statements other than statements of historical fact may be forward-looking statements. Forward-looking information is necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: risks and uncertainties relating to, among other things, the inherent uncertainties regarding Mineral Resource Estimates, cost estimates, changes in commodity prices, currency fluctuation, financings, changes in share price; unanticipated resource grades, infrastructure, results of exploration activities, cost overruns, availability of materials and equipment, timeliness of government approvals, taxation, political risk and related economic risk and unanticipated environmental impact on operations as well as other risks, and uncertainties and other factors, including, without limitation, those referred to in the "Risks and Uncertainties" section of the MD&A, and elsewhere, such as in the Company's most recent AIF, as filed on SEDAR+ at www.sedarplus.ca, which may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.

The Company believes that the expectations reflected in the forward-looking statements and information included in this MD&A are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements and information should not be unduly relied upon. This statement and information is as of the date of the MD&A. In particular, this MD&A contains forward-looking statements or information pertaining to: the assumptions used in the Mineral Resources estimates for the Los Helados Project, including, but not limited to, geological interpretation and grades; assumptions made in the interpretation of drill results, geology, grade and continuity of mineral deposits; expectations regarding access and demand for equipment, skilled labour and services needed for exploration and development of mineral properties; and that activities will not be adversely disrupted or impeded by exploration, development, operating, regulatory, political, community, economic and/or environmental risks. In addition, this MD&A may contain forward-looking statements or information pertaining to: exploration and development plans and expenditures, including the size, scope, nature, timing and foci of the Company's future exploration programs, particularly at Los Helados and Lunahuasi; whether current interpretation of the exploration and/or drill results to date at Los Helados or Lunahuasi will be confirmed by future work, including statements regarding prospectivity of exploration properties, the accuracy of a geological model, the ability to extend and define of the Fenix, Alicanto and Condor Zones at Los Helados, the ability of future drilling to convert exploration potential to a Mineral Resource Estimate or to upgrade material from one category of Mineral Resource to another, the scale, grade, or significance of the system that is the source of the high-grade mineralization intersected at Lunahuasi, or the Company's ability to locate it; the future uses of the Company's cash and working capital; the success of future exploration activities; potential for the discovery of new mineral deposits or expansion of existing mineral deposits; ability to build shareholder value; expectations with regard to adding to Mineral Resources through exploration; expectations with respect to the conversion of Inferred Resources to an Indicated Resource classification, or the conversion of Indicated Resources to a Measured Resource classification; ability to execute the planned work programs; estimation of commodity prices, Mineral Resources, estimations of costs, and permitting time lines; ability to obtain surface rights and property interests; currency exchange rate fluctuations; requirements for additional capital; government regulation of mining activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; assumptions that the Company will be able to carry out exploration program at Lunahuasi as planned; fluctuations in the current price of and demand for commodities; material adverse changes in general business and economic conditions, particularly in Argentina with respect to uncertainty around exchange rate and other economic policies potentially affecting the Company, as well as other factors associated with ongoing financial instability in Argentina; and other risks and uncertainties.

Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and that the Company will not experience any material labour dispute, accident, or failure of plant or equipment. These factors are not, and should not be construed as being, exhaustive. Although the Company has attempted to identify important factors that would cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. There can be no assurance that such statements will prove to be accurate, as the Company's actual results and future events could differ materially from those anticipated in such statements, as a result of the factors discussed in the "Risk and Uncertainties" section of this MD&A, and elsewhere. All of the forward-looking information contained in this document is qualified by these cautionary statements. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

Statements relating to "Mineral Resources" are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the Mineral Resources described can be profitably produced in the future.

Independent auditor's report

To the Shareholders of NGEx Minerals Ltd.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of NGEx Minerals Ltd. and its subsidiaries (together, the Company) as at December 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited
The Company's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2023 and 2022;
- the consolidated statements of comprehensive loss for the years then ended;
- the consolidated statements of cash flows for the years then ended;
- the consolidated statements of changes in equity for the years then ended and; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

PricewaterhouseCoopers LLP
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Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment indicators of mineral properties *Refer to note 3(b) – Critical accounting estimates, assumptions and judgments, note 3(d) – Mineral properties and exploration expenditure, note 3(e) – Impairment of non-financial assets and note 7 – Mineral properties to the consolidated financial statements.* The carrying value of mineral properties amounted to \$3.8 million as at December 31, 2023 which all related to the Los Helados project. At each reporting date, management reviews the Company's mineral properties for indicators of impairment, which requires management to exercise key judgments, including but not limited to (i) the Company's right to explore the mineral properties, (ii) whether the Company has further plans or budgets for substantive expenditures for the ongoing exploration and evaluation of the mineral properties, (iii) the impact of exploration and evaluation results to date with respect to the mineral properties, and (iv) the likelihood that the carrying value of the mineral properties will be recovered in the future through development or sale of the assets. If indicators of impairment are identified, management would further review the carrying values of the applicable mineral properties to determine if their carrying values exceed their fair value. No impairment indicators were identified by management as at December 31, 2023. We considered this a key audit matter due to (i) the significance of the mineral properties balance and	Our approach to addressing the matter included the following procedures, among others: • Obtained, for all mining claims, by reference to government registries as applicable and vouching payments of required fees, evidence to support the right to explore the area. • Read board minutes and obtained budget approvals to evidence continued and planned substantive expenditures for the ongoing exploration and evaluation of the mineral properties, which included evaluating results of management's current-year work programs and management's longer-term plans. • Assessed whether there is other information that may indicate that the carrying amount may not be recovered from successful development or sale of the asset, by considering evidence obtained in other areas of the audit.

(ii) the subjectivity in performing audit procedures to evaluate management's indicators of impairment assessment, which required management judgment.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Ranbir Gill.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants

Vancouver, British Columbia
March 22, 2024

NGEx Minerals Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	**December 31, 2023**	**December 31, 2022**
ASSETS			
Current assets:			
Cash		$ 59,502,617	$ 23,249,241
Receivables and other assets	*5*	2,140,961	4,300,559
Short-term investments		15,229,918	-
		76,873,496	27,549,800
Non-current assets:			
Receivables and other assets	*5*	413,267	840,337
Equipment	*6*	191,028	18,723
Mineral properties	*7*	3,815,124	3,902,697
		4,419,419	4,761,757
TOTAL ASSETS		81,292,915	32,311,557
LIABILITIES			
Current liabilities:			
Trade payables and accrued liabilities		7,189,838	7,327,951
Non-current liabilities:			
Due to exploration partner	*9*	634,740	630,460
Accrued liabilities		-	338,600
		634,740	969,060
TOTAL LIABILITIES		7,824,578	8,297,011
SHAREHOLDERS' EQUITY			
Share capital	*10*	183,002,098	97,613,481
Contributed surplus		8,379,116	4,347,722
Deficit		(113,376,603)	(75,658,411)
Accumulated other comprehensive loss		(4,536,274)	(2,288,246)
TOTAL SHAREHOLDERS' EQUITY		73,468,337	24,014,546
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$ 81,292,915	32,311,557

Subsequent events (Note 1)

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board:

/s/Alessandro Bitelli
Director

/s/Wojtek A. Wodzicki
Director

NGEx Minerals Ltd.
Consolidated Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	Year ended December 31, 2023	2022
Expenses			
Exploration and project investigation	*12*	$ 40,283,371	$ 28,923,845
General and administration:			
Salaries and benefits		3,089,407	1,872,580
Share-based compensation	*11c*	3,592,030	2,353,238
Management fees		188,080	169,540
Professional fees		489,228	212,163
Travel		152,698	107,704
Promotion and public relations		372,540	438,943
Office and general		820,444	341,479
Operating loss		48,987,798	34,419,492
Other expenses (income)			
Interest income		(1,899,940)	(249,330)
Financing costs		71,382	50,303
Foreign exchange loss (gain)		102,376	(60,965)
Net monetary gain	*4*	(637,663)	(54,798)
Gain on use of marketable securities, net	*16*	(9,030,537)	(1,975,356)
Other losses	*9*	11,475	212,531
Other expenses		113,301	73,385
Net loss		37,718,192	32,415,262
Other comprehensive loss			
Items that may be reclassified subsequently to net loss:			
Foreign currency translation adjustment		929,853	(310,220)
Impact of hyperinflation	*4*	1,318,175	84,302
Comprehensive loss		$ 39,966,220	$ 32,189,344
Basic and diluted loss per common share		$ 0.21	$ 0.20
Weighted average common shares outstanding		178,007,539	159,625,957

The accompanying notes are an integral part of these consolidated financial statements.

NGEx Minerals Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Note	2023	Year ended December 31, 2022
Cash flows used in operating activities			
Net loss for the year		$ (37,718,192)	$ (32,415,262)
Adjustments to reconcile net loss to net operating cash flows:			
Depreciation		17,231	12,275
Share-based compensation	*11c*	4,671,200	2,927,355
Finance costs		71,382	50,303
Foreign exchange loss (gain)		18,426	(35,756)
Net monetary loss		944,365	146,507
Other losses	*9*	11,475	212,531
Write-down of non-current taxes receivable		-	73,142
Interest income from short-term investment		(229,918)	-
Net changes in working capital and other items:			
Receivables and other		2,105,888	(3,159,149)
Trade payables and accrued liabilities		3,020,289	5,031,376
		(27,087,854)	(27,156,678)
Cash flows from (for) financing activities			
Proceeds from equity financings	*10*	85,659,990	30,000,000
Share issuance costs	*10*	(2,439,071)	(635,780)
Drawdown of credit facility		-	1,781,000
Repayment of credit facility		-	(1,769,950)
Proceeds from option exercises		1,527,892	495,847
Payments made on behalf of exploration partner		(43,793)	(36,254)
		84,705,018	29,834,863
Cash flows used in investing activities			
Purchase of short-term investment		(15,000,000)	-
Acquisition of equipment	*6*	(189,419)	-
Mineral properties and related expenditures	*7*	(133,923)	(126,220)
		(15,323,342)	(126,220)
Effect of exchange rate change on cash		(6,040,446)	(302,766)
Increase in cash during the year		36,253,376	2,249,199
Cash, beginning of the year		$ 23,249,241	$ 21,000,042
Cash, end of the year		$ 59,502,617	$ 23,249,241

Non-cash financing activities (Note 8)

The accompanying notes are an integral part of these consolidated financial statements.

NGEx Minerals Ltd.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Note	Number of Shares	Share Capital	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance, January 1, 2022		156,291,344	$ 67,523,831	$ 1,616,855	$ (43,243,149)	$ (2,514,164)	$ 23,383,373
Share-based compensation		-	-	2,927,355	-	-	2,927,355
Shares issued pursuant to the equity financings		15,000,000	30,000,000	-	-	-	30,000,000
Share issuance costs		-	(635,780)	-	-	-	(635,780)
Shares issued pursuant to credit facility		15,352	33,095	-	-	-	33,095
Shares issued pursuant to stock option exercises		816,834	692,335	(196,488)	-	-	495,847
Net loss and other comprehensive loss		-	-	-	(32,415,262)	225,918	(32,189,344)
Balance, December 31, 2022		**172,123,530**	**$ 97,613,481**	**$ 4,347,722**	**$ (75,658,411)**	**$ (2,288,246)**	**$ 24,014,546**
Balance, January 1, 2023		172,123,530	$ 97,613,481	$ 4,347,722	$ (75,658,411)	$ (2,288,246)	$ 24,014,546
Share-based compensation	*11c*	-	-	4,671,200	-	-	4,671,200
Shares issued pursuant to the equity financings	*10*	13,178,460	85,659,990	-	-	-	85,659,990
Share issuance costs	*10*	-	(2,439,071)	-	-	-	(2,439,071)
Shares issued pursuant to stock option exercises	*11b*	1,780,001	2,167,698	(639,806)	-	-	1,527,892
Net loss and other comprehensive loss		-	-	-	(37,718,192)	(2,248,028)	(39,966,220)
Balance, December 31, 2023		**187,081,991**	**$ 183,002,098**	**$ 8,379,116**	**$ (113,376,603)**	**$ (4,536,274)**	**$ 73,468,337**

The accompanying notes are an integral part of these consolidated financial statements.

(Expressed in Canadian Dollars, unless otherwise stated)

1. NATURE OF OPERATIONS

NGEx Minerals Ltd. (the "Company" or "NGEx Minerals") was incorporated on February 21, 2019, under the laws of the Canada Business Corporations Act in connection with a plan of arrangement, which was completed on July 17, 2019.

The Company's principal business activities are the acquisition, exploration and development of mineral properties located in South America. The Company's registered office is located at Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, Canada. The Company's common shares traded on the TSX Venture Exchange (the "TSXV") under the symbol "NGEX" until February 21, 2024, at which point it was voluntarily delisted in order for the Company's common shares to trade on the Toronto Stock Exchange (the "TSX") under the same symbol effective February 22, 2024. In addition, the Company's common shares began trading on the OTCQX® Best Market under the symbol "NGXXF" on March 8, 2024.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of business. These consolidated financial statements are prepared on a historical cost basis except for certain financial assets, which are measured at fair value.

These consolidated financial statements were authorized for issuance by the Board of Directors of the Company on March 22, 2024.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Consolidation

The consolidated financial statements of the Company include the following subsidiaries:

Subsidiaries	Jurisdiction	Nature of operations
Suramina Resources Inc.	Canada	Holding company
NGEx Argentina Holdings Inc.	Canada	Holding company
NGEx RioEx Holdings Inc.	Canada	Holding company
Frontera Holdings (Bermuda) I Ltd.	Bermuda	Holding company
Frontera Holdings (Bermuda) II Ltd.	Bermuda	Holding company
Frontera Holdings (Bermuda) III Ltd.	Bermuda	Holding company
Urupampa S.A.	Uruguay	Holding company
RioEx Uruguay S.A.	Uruguay	Holding company
Minera Frontera del Oro SPA.	Chile	Exploration company
Desarrollo de Prospectos Mineros Peruanos S.A.C.	Peru	Exploration Company
Pampa Exploracion S.A.	Argentina	Exploration company
RioEx S.A.	Argentina	Exploration company

The Company consolidates an entity when it has power over that entity, is exposed, or has rights, to variable returns from its involvement with that entity and has the ability to affect those returns through its power over that entity.

All the Company's subsidiaries are wholly-owned and all intercompany balances, transactions, including income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

b) Critical accounting estimates, assumptions and judgements

The preparation of the consolidated financial statements in accordance with IFRS Accounting Standards requires management to make estimates, assumptions and judgements that affect the reported amounts of assets, liabilities and expenditures on the financial statements. These estimates, assumptions and judgements are based on management's best knowledge of the relevant facts and circumstances taking into account previous experience. Actual results could differ and such differences could be material. Estimates, assumptions and judgements are reviewed on an ongoing basis and are based on historical experience and other facts and circumstances. Revisions to estimates, assumptions and judgements, and the resulting effects on the carrying amounts of the Company's assets and liabilities, are accounted for prospectively. Information about estimates, assumptions, judgments and other sources of estimation uncertainty as at December 31, 2023, that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are provided below:

Valuation of mineral properties – The Company carries the acquisition costs of its mineral properties at cost less any provision for impairment. At each reporting date, the Company reviews its mineral properties for indicators of impairment, which requires the Company to exercise key judgements, including but not limited to, the Company's right to explore the mineral property, whether the Company has further plans or budgets for substantive expenditures for the ongoing exploration and evaluation of the mineral property, the impact of exploration and evaluation results to date with respect to the mineral property, and the likelihood that the carrying value of the mineral property will be recovered in the future through development or sale of the asset. If indicators of impairment are identified, the Company would further review the carrying values of the applicable mineral properties to determine if their carrying values may exceed their fair value, which also requires the Company to make significant judgments and estimates. The judgments and estimates mentioned above are subject to various risks and uncertainties, which may ultimately have an effect on the expected recoverability of the carrying values of the mineral properties.

The Company has determined that no indicators of impairment exist for its mineral properties as of December 31, 2023.

c) Foreign currency translation

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional and presentation currency. The functional currencies of its material subsidiaries, which have operations in Chile and Argentina, are the Chilean peso and the Argentine peso, respectively.

For the Company's Argentine subsidiaries, which are affected by hyperinflationary accounting as described in Notes 3 and 4 below, and use the Argentine peso as their functional currency, the results and financial position of these subsidiaries are translated into the presentation currency using the exchange rate prevailing at the date of the statement of financial position.

The results and financial position of all other subsidiaries that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated using the exchange rate prevailing at the date of that statement of financial position.

- Income, expenses, and other comprehensive income for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions).

- All resulting exchange differences are recognized as a separate component of equity and in other comprehensive income.

d) Mineral properties and exploration expenditure

The Company capitalizes acquisition costs for property rights, including payments for exploration rights and estimated fair value of exploration properties acquired as part of an acquisition.

Mineral exploration costs and maintenance payments are expensed prior to the determination that a property has economically recoverable ore reserves. When it has been established that a mineral property is considered to be sufficiently advanced to the development stage, with economic viability and technical feasibility demonstrated, all further expenditures for the current period and subsequent periods are capitalized as incurred and subsequently amortized on a units of production based on proven and probable reserves of the assets to which they relate.

e) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units, or "CGU's"). Value in use is determined as the present value of future cash inflows expected to be derived from a CGU using a pre-tax discount rate that reflects the current time value of money and the risks specific to that CGU.

Non-financial assets that have been previously impaired are reviewed for possible reversal of the impairment at each reporting date.

f) Financial instruments

(i) Recognition

The Company measures and classifies its financial assets based on its business model for managing its financial assets and the contractual cash flow characteristics of those financial assets. Financial assets are classified into three measurement categories on initial recognition: those measured at fair value through profit or loss, those measured at fair value through other comprehensive income ("OCI") and those measured at amortized cost.

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Investments in marketable securities, such as equity instruments of publicly listed entities, are required to be measured at fair value through profit or loss, unless the Company makes an irrevocable election to present subsequent changes in the fair value of such instruments through OCI. The Company has not elected to measure any of its marketable securities through OCI.

(ii) Derecognition

The Company derecognizes financial assets when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risk and rewards of ownership to another entity. A financial liability is derecognized when the obligation under the liability is discharged, canceled or expired. Gains and losses on derecognition of financial assets and liabilities are generally recognized in the consolidated statement of comprehensive loss.

(iii) Impairment

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized costs based on a probability-weighted estimate of credit losses over the expected life of the financial asset.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the credit risk on the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the expected credit losses are reversed after the impairment was recognized.

g) Cash

Cash includes cash on hand, and deposits held with financial institutions with a fixed deposit term of three months or less, net of bank overdrafts.

h) Short-term Investments

Short-term investments include monetary instruments which cannot be redeemed or otherwise liquidated within three months of their purchase date.

i) Equipment

Equipment is carried at cost less accumulated depreciation and impairment losses. The cost of an asset consists of its purchase price, any directly attributable costs of bringing the asset to the working condition and location of its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation of each asset is calculated using the straight line method to allocate its cost less its residual value over its estimated useful life. The depreciation rates and methods for the Company's equipment are as follows:

Vehicles/Mobile Equipment	Straight line over 5 years
Exploration Equipment	Straight line over 9 years

The assets' residual values, depreciation methods, and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

When an asset is disposed of, the difference between the net sale proceeds and its carrying amount is recognized as a gain or loss within net loss on the consolidated statement of comprehensive loss.

j) Current and deferred income tax

The Company follows the liability method of accounting for income taxes. Under the liability method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, unused tax losses and other income tax deductions. Deferred income tax assets are recognized for deductible temporary differences, unused tax losses and other income tax deductions to the extent that it is probable the Company will have taxable income against which those deductible temporary differences, unused tax losses and other income tax deductions can be utilized.

Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply when the related assets are realized or the liabilities are settled. The measurement of deferred income tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover and settle the carrying amounts of its assets and liabilities, respectively. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in the period in which the change is substantively enacted.

k) Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

l) Share-based compensation

The Company has a share-based compensation plan, whereby it is authorized to grant share options to officers, employees, directors, and other eligible persons. The fair value of the options is measured at the date the options are granted, using the Black-Scholes option-pricing model with assumptions for risk-free interest rates, dividend yields, volatility of the expected market price of the common shares and an expected life of the options. The fair value less estimated forfeitures is charged over the vesting period of the related options as an expense on its financial statements.

m) Provisions

Provisions for restructuring costs and legal claims are recognized when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligations using the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

n) Segment reporting

As the Company primarily focuses its activity on the exploration and development of mineral properties, its operating and reportable segments are the Los Helados Project, the Company's exploration projects in Argentina, other exploration projects, and the Company's corporate administration function. Operating segments are components of an entity that engage in business activities from which they incur expenses and whose operating results are regularly reviewed by a chief operating decision maker to make resource allocation decisions and to assess performance. The Chief Executive Officer, the chief operating decision-maker for the Company, obtains and reviews operating results of each operating segment on a monthly basis.

o) Hyperinflation

The Company applies IAS 29, Financial Reporting in Hyperinflationary Economies, which outlines the use of the hyperinflationary accounting to consolidate and report its Argentine operating subsidiaries.

Argentine subsidiaries' non-monetary assets and liabilities, shareholders' equity and comprehensive loss items from the transaction date when they were first recognized into the current purchasing power which reflects a price index current at the end of the reporting period before being included in the consolidated financial statements. To measure the impact of inflation on its financial position and results, the Company has elected to use the Wholesale Price Index (*Indice de Precios Mayoristas* or "*IPIM*") for periods up to December 31, 2016, and the Retail Price Index (*Indice de Precios al Consumidor* or "*IPC*") thereafter. These price indices have been recommended by the Government Board of the Argentine Federation of Professional Councils of Economic Sciences ("FACPCE").

As the consolidated financial statements of the Company have been previously presented in Canadian dollars, a stable currency, the comparative period amounts do not require restatement.

p) Adoption of new accounting policy

On January 1, 2023, the Company adopted IAS 1 and the IFRS Practice Statement 2, *Making Materiality Judgements.* IAS 1 which was amended to provide guidance on the application of materiality judgments with respect to an entity's accounting policy disclosures. This amendment to IAS 1 replaced previous requirements to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies.

The adoption of this amendment to IAS 1 did not have an impact on the Company's financial results for the year ended December 31, 2023.

q) New accounting pronouncements

The IASB and/or the IFRS Interpretations Committee have issued new standards and amendments, or interpretations to existing standards, which were not yet effective and not applied by the Company as at December 31, 2023.

IAS 1, Presentation of Financial Statements

The IASB published *Non-current Liabilities with Covenants (Amendments to IAS 1)* to clarify how covenants with which an entity must comply within 12 months after the reporting period affect the classification of the related liability. Effectively, liabilities are to be classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. These amendments are effective January 1, 2024, with early adoption permitted. Retrospective application is required on adoption.

IAS 7, *Statement of Cash Flows* and IFRS 7, *Financial Instruments: Disclosures*

The IASB has also issued amendments to IAS 7 and IFRS 7 to include disclosure requirements of qualitative and quantitative details regarding supplier/vendor finance arrangements that will assist users of financial statements in evaluating any resulting effects to the reporting entity's liabilities and cash flows. The amendments are effective for annual periods beginning on or after January 1, 2024.

The Company does not expect adoption of these amendments to have a material impact on its consolidated financial statements.

4. HYPERINFLATION

Argentina was designated a hyperinflationary economy as of July 1, 2018, for accounting purposes.

The Company recognized a loss of $1,318,175 for the year ended December 31, 2023 (2022: $84,302) in relation to the impact of hyperinflation within other comprehensive income. The hyperinflationary gains and losses are generally the impact of two opposing factors:

- Gains are driven by the hyperinflationary impacts on capital injected into the Argentine subsidiaries during the period ("Gain on Capital Injected").
- Losses are largely the result of depreciation of the Argentine peso relative to the Canadian dollar during the period, and its impact upon translation of the Argentine subsidiaries' accounts into the Canadian dollar reporting currency ("Loss on Translation").

For the year ended December 31, 2023, although capital was injected into the Company's Argentine subsidiaries, the Loss on Translation was the dominant factor due to continued depreciation of the Argentine peso relative to the Canadian dollar, which resulted in net hyperinflationary loss for the year.

(Expressed in Canadian Dollars, unless otherwise stated)

As a result of changes in the IPC and changes to the Company's net monetary position, the Company recognized a net monetary gain of $637,663 for the year ended December 31, 2023 (2022: $54,798), to adjust transactions recorded during the year into a measuring unit current as of December 31, 2023.

The level of the IPC at December 31, 2023, was 3,533.19 (December 31, 2022: 1,134.59), which represents an increase of approximately 211% over the IPC at December 31, 2022, and an approximate 79% increase over the average level of the IPC during the year ended December 31, 2023.

5. RECEIVABLES AND OTHER ASSETS

	December 31, 2023	**December 31, 2022**
Current		
Taxes receivable	45,872	108,932
Other receivables and advances	885,670	2,857,214
Other prepaid expenses and deposits	1,209,419	1,334,413
	2,140,961	**4,300,559**
Non-current		
Deferred surface access rights	413,267	840,337
	413,267	**840,337**

Receivable from Exploration Partner

As at December 31, 2023, current other receivables and advances includes $137,077 (2022: $2,730,489) receivable from the Company's exploration partner at the Los Helados properties (Note 7).

Deferred Surface Access Rights

Reduced Surface Access Rights Agreements

Historically, the Company has had a contractual agreement with the owners of the surface rights covering the Los Helados properties, which gave the Company access over these surface rights for exploration, development, and mining through to closure of any mining operation, in exchange for certain payments which are linked to project activities and certain development milestones (the "Original Surface Access Agreement"). The Original Surface Access Agreement provided for minimum annual payments of US$0.5 million which covered basic access to the property and minimal surface disturbance such as road maintenance.

On January 26, 2021, the Original Surface Access Agreement was mutually terminated by the Company and the holders of the surface rights and replaced with a reduced surface access agreement with an effective period of three years (the "Reduced Surface Access Agreement"). The Reduced Surface Access Agreement resulted in decreased payments receivable by the holders of the surface rights in return for a reduction in permitted activities by the Company at the Los Helados properties over its term. As a result, the payments by the Company to the holders of the surface rights were reduced to a total of US$400,000 over the term of the Reduced Surface Access Agreement, with US$200,000 paid upon execution in January 2021 and the remainder paid in January 2022.

As the payments related to the Reduced Surface Access Agreement provide the Company the benefit of access for the period ending January 26, 2024, the contractual amount was initially deferred and has been amortized over the life of the agreement.

On November 22, 2022, the Company and the owners of the Los Helados surface rights negotiated an amendment to the Reduced Surface Access Agreement, whereby the term of the agreement was extended to January 26, 2026, in exchange for a US$250,000 payment upon execution, and additional payments of US$250,000 on both November 22, 2023, and 2024 (the "Extension Agreement"). Accordingly, as at December 31, 2023, the first two payments have been made, and the third and final payment of US$250,000 due in November 2024 has been recognized within current trade payables and accrued liabilities. As at December 31, 2023, the contractual liability had a Canadian dollar equivalent of approximately $330,650.

Similar to above, all contractual amounts with respect to the Extension Agreement were initially deferred and will be amortized over the term of the agreement ending January 26, 2026. In addition, upon execution of the Extension Agreement, the term over which the remaining undeferred amounts with respect to the Reduced Surface Access Agreement will be amortized was prospectively extended to January 26, 2026.

The pro rata portion of deferred amounts relating to the 12 months ending December 31, 2024, have been classified as a current asset.

Temporarily Restored Surface Access Rights

On November 30, 2021, the Company and the owners of the surface rights at Los Helados executed a temporary restoration of the Company's surface access rights as outlined in the Original Surface Access Agreement (the "2021-2022 Restored Rights Agreement"). Pursuant to the 2021-2022 Restored Rights Agreement, the Company paid US$300,000 to the holders of the Los Helados surface rights in exchange for reinstated surface access from date of execution until December 31, 2022. The amounts paid with respect to the 2021-2022 Restored Rights Agreement were initially deferred and were amortized through the Consolidated Statement of Comprehensive Loss for the year ended December 31, 2022.

(Expressed in Canadian Dollars, unless otherwise stated)

On November 22, 2022, the Company and the owners of the Los Helados surface access rights further restored the Company's surface access rights on a temporary basis with an additional agreement (the "2023 Restored Rights Agreement"). The 2023 Restored Rights Agreement allowed the Company to carry on drilling and exploration activities at Los Helados during the year ended December 31, 2023, in exchange for a payment of US$450,000. As the incremental payment related to the temporary reinstatement of surface access rights provides the Company the benefit of access up to December 31, 2023, the pro rata portion relating to the twelve months ending December 31, 2023 was initially deferred and have been amortized through the Consolidated Statement of Comprehensive Loss for the year ended December 31, 2023.

6. EQUIPMENT

Cost	**Mobile Equipment**	**Exploration Equipment**	**Total**
As at January 1, 2022	**42,280**	**-**	**42,280**
Adjustment for the impacts of inflation	8,751	-	**8,751**
As at December 31, 2022	**51,031**	**-**	**51,031**
Additions	-	189,419	**189,419**
Adjustment for the impacts of inflation	(17,053)	-	**(17,053)**
As at December 31, 2023	**33,978**	**189,419**	**223,397**
Accumulated depreciation			
As at January 1, 2022	**(18,312)**	**-**	**(18,312)**
Amortization	(12,275)	-	**(12,275)**
Adjustment for the impacts of inflation	(1,721)	-	**(1,721)**
As at December 31, 2022	**(32,308)**	**-**	**(32,308)**
Amortization	(13,169)	(4,062)	**(17,231)**
Adjustment for the impacts of inflation	17,170	-	**17,170**
As at December 31, 2023	**(28,307)**	**(4,062)**	**(32,369)**

Net book value	**Mobile Equipment**	**Exploration Equipment**	**Total**
As at December 31, 2022	**18,723**	**-**	**18,723**
As at December 31, 2023	**5,671**	**185,357**	**191,028**

(Expressed in Canadian Dollars, unless otherwise stated)

7. MINERAL PROPERTIES

	Los Helados Project
January 1, 2022	**$ 3,537,087**
Additions	126,220
Effect of foreign currency translation	239,390
December 31, 2022	**$ 3,902,697**
Additions	133,923
Effect of foreign currency translation	(221,496)
December 31, 2023	**$ 3,815,124**

Los Helados Project

The Company's holds interests in the Los Helados properties and the La Rioja properties (together, the "Los Helados Project"), which are comprised of adjacent mineral titles in Region III, Chile, and the San Juan Province in Argentina. At December 31, 2023, the Company held an approximate 69% interest in the underlying Los Helados properties and a 60% interest in the La Rioja properties.

The Company is the majority partner and operator of the Los Helados Project, which is subject to a Joint Exploration Agreement ("JEA") with its exploration partner, Nippon Caserones Resources LLC ("NCR", previously Nippon Caserones Resources Co. Ltd). NCR is a subsidiary of JX Nippon Mining and Metals Corporation, a Tokyo-based mining and smelting company that also has an indirect 49% ownership interest in the Caserones Mine, located approximately 17 kilometres from the Los Helados Project. The 51% controlling interest in the Caserones Mine is held by Lundin Mining Corporation.

The Company had sole funded 100% of the expenditures related to the Los Helados properties as the result of elections by the exploration partner pursuant to the JEA not to fund its share of expenditures for the period from September 1, 2015, to August 31, 2022. The sole funding of expenditures at the Los Helados properties during this period resulted in dilution of NCR's interest, and corresponding increases to the Company's interest, resulting in the amounts noted above.

The foregoing notwithstanding, NCR elected to exercise its right to fund its pro rata share of qualifying expenditures related to the Los Helados properties since September 1, 2022. Amounts contributed or contributable by NCR with respect to its funding commitment for the Los Helados properties are recorded as reductions to exploration and project investigation costs and total $6,372,571 for the year ended December 31, 2023 (2022: $2,624,306).

Lunahuasi Project

The Company holds a 100% interest in the Lunahuasi Project, an exploration target located in San Juan Province, Argentina. Lunahuasi lies along the same major north-northeast structural trend that controls the Filo del Sol deposit located approximately 6 km to the south and the Los Helados deposit located approximately 9 km to the north.

Valle Ancho Properties

In November 2022, the Company secured a 100% interest in the Valle Ancho and Interceptor properties (collectively, the "Valle Ancho Properties"), located in Catamarca, Argentina, by making its formal submissions to the Province of Catamarca to evidence its completion of the US$8.0 million minimum expenditure requirement.

8. CREDIT FACILITIES

On September 28, 2022, the Company obtained an unsecured US$3.0 million credit facility (the "2022 Facility") from Zebra Holdings and Investments S.à.r.l ("Zebra") and Lorito Holdings S.à.r.l. ("Lorito") to provide financial flexibility to fund ongoing exploration and for general corporate purposes. At the time, Zebra and Lorito were related parties of the Company by virtue of their combined shareholding in the Company in excess of 20%.

As consideration for the 2022 Facility, Zebra and Lorito received 12,500 common shares upon execution thereof (the "2022 Commitment Shares") and were entitled to receive an additional 200 common shares each month, for every US$50,000 in principal outstanding, prorated accordingly for the number of days outstanding.

During the year ended December 31, 2023, the Company made no draws against the 2022 Facility, which matured on September 28, 2023. No interest was payable in cash during its term.

During the year ended December 31, 2023, the Company issued no common shares to Zebra and Lorito in connection with the 2022 Facility (2022: 15,352). As a result of amortization of the 2022 Commitment Shares, the Company recognized $19,688 (2022: $16,741) in financing costs through the consolidated statement of comprehensive loss for the year ended December 31, 2023.

All common shares issued in conjunction with the facilities were subject to a four-month hold period under applicable securities laws.

9. DUE TO EXPLORATION PARTNER

The Company has an obligation to fund a partner's share of exploration expenditures related to the La Rioja properties (the "Obligation"). In accordance with the terms of the JEA between the Company and the partner, NCR, the Company has elected to settle the Obligation through funding NCR's share of exploration expenditures, which remained US$3.4 million as at December 31, 2023, and has no defined timeline for settlement.

The Company considered the estimated timeframe required to expend the remaining US$3.4 million on behalf of NCR at the La Rioja properties and has presented the remaining obligation as a non-current liability, discounted to its present value at an annual effective rate of 8% (2022: 8%).

As at December 31, 2023, the Company reviewed the nature and timing of future expenditures at the La Rioja properties and increased its expected annual funding of NCR's share of future exploration expenditures from US$38,340 to US$39,600 based on its best estimate of exploration activities to be conducted on the project. The effect of this change in future estimated expenditures at the La Rioja properties is an increase in the amount due to exploration partner by $11,475, with a corresponding amount recognized within other losses on the consolidated statement of comprehensive loss for the year ended December 31, 2023 (2022: $212,531).

10. SHARE CAPITAL

The Company has authorized an unlimited number of voting common shares without par value.

On August 11, 2023, the Company closed a non-brokered private placement, pursuant to which the Company sold an aggregate of 13,178,460 common shares at a price of $6.50 per common share, generating aggregate gross proceeds of $85.7 million (the "Financing"). Share issuance costs related to the Financing totaled $2.4 million, and included professional fees, regulatory fees, and 5% finders' fees payable in cash on approximately $20.6 million of the gross proceeds from the Financing.

As part of the Financing, Nemesia S.à.r.l. ("Nemesia"), which acts jointly and reports its shareholdings together with Zebra and Lorito, purchased 4,307,692 common shares pursuant to the terms outlined above, for gross proceeds of $28.0 million. By virtue of Nemesia, Zebra and Lorito's combined shareholding in the Company in excess of 20%, Nemesia is also considered a related party of the Company. In addition, as part of the Financing, directors of the Company purchased a total of 465,000 common shares pursuant to the terms outlined above, for gross proceeds of $3.0 million.

The common shares issued under the Financing were subject to a hold period under applicable securities laws, which expired on December 12, 2023.

11. SHARE OPTIONS

a) Share option plan

The Company has a share option plan adopted by the Board of Directors on May 7, 2019, and amended May 19, 2022, which reserves an aggregate of 10% of the issued and outstanding shares of the Company for issuance upon the exercise of options granted. The granting, vesting and terms of the share options are at the discretion of the Board of Directors.

(Expressed in Canadian Dollars, unless otherwise stated)

b) Share options outstanding

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Number of shares issuable pursuant to share options	Weighted average exercise price per share
Balance at January 1, 2022	9,160,834	$ 0.56
Options granted	4,640,000	1.98
Exercised	(816,834)	0.61
Expired or forfeited	(270,000)	1.59
Balance at December 31, 2022	12,714,000	$ 1.06
Options granted	1,500,000	6.21
Exercised	(1,780,001)	0.86
Balance at December 31, 2023	12,433,999	$ 1.71

On August 28, 2023, the Company granted a total of 1,425,000 share options to officers, employees, directors and other eligible persons at an exercise price of $6.20 per share. In addition, on September 5, 2023, the Company granted a total of 75,000 share options to an officer at an exercise price of $6.36 per share.

The Company uses the Black-Scholes option pricing model to estimate the fair value for all options granted and the resulting stock-based compensation. The weighted average assumptions used in this pricing model, and the resulting fair values per option, for the 1,500,000 share options granted during the year ended December 31, 2023, are as follows:

(i)	Risk-free interest rate:	3.96%
(ii)	Expected life:	4 years
(iii)	Expected volatility:	79.11%
(iv)	Expected dividends:	nil
(v)	Fair value per option:	$3.75

The weighted average share price on the exercise date for the share options exercised during year ended December 31, 2023, was $6.21.

(Expressed in Canadian Dollars, unless otherwise stated)

The following table details the share options outstanding and exercisable as at December 31, 2023:

	Outstanding options			Exercisable options		
Exercise price	Options outstanding	Weighted average remaining contractual life (Years)	Weighted average exercise price	Options exercisable	Weighted average remaining contractual life (Years)	Weighted average exercise price
$0.475	2,515,000	0.74	$0.475	2,515,000	0.74	$0.475
$0.54	2,205,000	1.92	$0.54	2,205,000	1.92	$0.54
$0.68	2,153,999	2.26	$0.68	1,479,003	2.07	$0.68
$1.65	1,403,333	3.03	$1.65	456,667	3.03	$1.65
$2.08	2,446,667	3.69	$2.08	1,619,997	3.69	$2.08
$3.16	210,000	3.92	$3.16	140,000	3.92	$3.16
$6.20	1,425,000	4.66	$6.20	475,001	4.66	$6.20
$6.36	75,000	4.68	$6.36	-	-	-
	12,433,999	2.58	$1.71	8,890,668	2.17	$1.23

c) Share-based compensation

	Year ended December 31, 2023	2022
Exploration and project investigation	1,079,170	574,117
General and administration	3,592,030	2,353,238
	4,671,200	**2,927,355**

12. EXPLORATION AND PROJECT INVESTIGATION

The Company expensed the following exploration and project investigation costs for the years ended December 31, 2023 and 2022:

(Expressed in Canadian Dollars, unless otherwise stated)

Year ended December 31,		Los Helados Project	Lunahuasi	Valle Ancho	Other	Total
2023	Land holding and access costs	1,101,845	10,335	18,318	7,267	1,137,765
	Drilling, fuel, camp costs and field supplies	7,384,904	15,394,758	-	-	22,779,662
	Roadwork, travel and transport	1,406,354	2,493,339	301	13	3,900,007
	Engineering and conceptual studies	347,755	-	-	-	347,755
	Consultants, geochemistry and geophysics	1,093,837	866,631	5,654	-	1,966,122
	Environmental and community relations	83,006	97,181	-	-	180,187
	VAT and other taxes	1,631,736	2,934,239	31,435	11,142	4,608,552
	Office, field and administrative salaries, overhead and other administrative costs	1,640,149	2,478,085	137,891	27,595	4,283,720
	Share-based compensation	404,862	667,719	5,321	1,268	1,079,170
	COVID related health and safety	-	431	-	-	431
	Total	**15,094,448**	**24,942,718**	**198,920**	**47,285**	**40,283,371**
2022	Land holding and access costs	416,851	22	22,503	27,684	467,060
	Drilling, fuel, camp costs and field supplies	11,225,277	1,893	1,423,143	-	12,650,313
	Roadwork, travel and transport	4,961,496	17,374	778,753	37	5,757,660
	Engineering and conceptual studies	303,666	-	-	-	303,666
	Consultants, geochemistry and geophysics	1,099,791	-	228,012	-	1,327,803
	Environmental and community relations	142,996	25,202	88,971	-	257,169
	VAT and other taxes	3,171,718	52,909	859,429	18,751	4,102,807
	Office, field and administrative salaries, overhead and other administrative costs	1,279,451	347,285	1,708,337	28,725	3,363,798
	Share-based compensation	460,431	8,794	103,381	1,511	574,117
	COVID related health and safety	975	-	118,477	-	119,452
	Total	**23,062,652**	**453,479**	**5,331,006**	**76,708**	**28,923,845**

(Expressed in Canadian Dollars, unless otherwise stated)

13. RELATED PARTY TRANSACTIONS

Under the normal course of operations, the Company may undertake transactions or hold balances with related parties. Other than those related party transactions identified elsewhere in these condensed interim consolidated financial statements, the Company may, from time to time, engage with Filo Corp. ("Filo"), a related party by way of directors, officers and shareholders in common, and MOAR Consulting Inc. ("MOAR"), an exploration consulting firm, of which a director of the Company is the president.

a) Related party services

The Company has a cost sharing arrangement with Filo. Under the terms of this arrangement, the Company may, from time to time, provide management, technical, administrative and/or financial services (collectively, "Management Services") to Filo, and vice versa. In addition, the Company engages MOAR to provide exploration consultation. These transactions were incurred in the normal course of operations, and are summarized as follows:

	Year ended December 31, 2023	2022
Management Services to Filo	285,642	364,343
Management Services from Filo	(436,784)	(902,414)
Exploration Consultation from MOAR	(11,825)	(12,750)

b) Related party balances

The amounts due from (to) related parties, and the components of the consolidated statements of financial position in which they are included, are as follows:

	Related Party	December 31, 2023	December 31, 2022
Receivables and other assets	Filo	67,466	112,163
Accounts payable and accrued liabilities	Filo	(52,858)	(186,449)

(Expressed in Canadian Dollars, unless otherwise stated)

c) Key management compensation

The Company's key management personnel have the authority and responsibility for overseeing, planning, directing and controlling its activities and consist of the Board of Directors and members of the executive management team. Total compensation expense for key management personnel, and the composition thereof, is as follows:

		Year ended December 31,
	2023	**2022**
Salaries and other payments	912,411	572,667
Short-term employee benefits	26,825	17,514
Directors fees	97,000	92,458
Stock-based compensation	3,074,327	1,983,771
Short-term incentive bonuses	1,122,000	690,000
	5,232,563	**3,356,410**

14. INCOME TAXES

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to the loss for the year. These differences result from the following items:

		Year ended December 31,
	2023	**2022**
Loss before taxes	37,718,192	32,415,262
Combined Canadian federal and provincial statutory income tax rates	27.00%	27.00%
Income tax recovery based on the above rate	10,183,912	8,752,121
Changes to income tax balances and other items that have not been recognized	(7,263,052)	(9,310,039)
Impacts of changes and differences in foreign tax and currency rates	(3,416,671)	642,557
Non-deductible expenses and permanent differences	495,811	(84,639)
Total income tax recovery	-	-

(Expressed in Canadian Dollars, unless otherwise stated)

The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset has been recognized consist of the following:

		Year ended December 31,
	2023	**2022**
Non-capital losses carried forward	3,884,369	2,978,119
Mineral properties and related expenditures	30,209,552	25,671,833
Other	911,852	253,303
	35,005,773	**28,903,255**

As at December 31, 2023, the non-capital loss carry-forwards and their respective expiration dates are as follows:

Year	**Canada**	**Argentina**	**Other**	**Total**
2024	-	2,295	37,690	39,985
2025	-	2,411	32,688	35,099
2026	-	53,916	23,855	77,771
2027	-	204,202	29,615	233,817
2028 and onwards	13,204,899	543,006	19,881	13,767,786
	13,204,899	**805,830**	**143,729**	**14,154,458**

15. SEGMENTED INFORMATION

The Company is principally engaged in the acquisition, exploration and development of mineral properties in South America. The information regarding mineral properties and exploration and project investigation costs presented in Notes 7 and 12, respectively, represent the manner in which management reviews its business performance. Materially all of the Company's mineral properties and exploration and project investigation costs relate to South America, particularly Chile and Argentina. The net gains on the use of marketable securities are allocated to the underlying projects for which the funding was provided. Materially all of the Company's administrative costs are incurred by the Canadian parent, where materially all of the Company's cash is held in the normal course of business until it is required to be deployed to the Company's South American subsidiaries in support of ongoing and planned work programs.

(Expressed in Canadian Dollars, unless otherwise stated)

The following are summaries of the Company's current and non-current assets, current liabilities, and net losses by segment:

		Los Helados Project	Lunahuasi & Valle Ancho	Corporate	Total
As at December 31, 2023	Current assets	1,089,494	1,077,345	74,706,657	76,873,496
	Non-current receivables and other assets	413,267	-	-	413,267
	Equipment	185,358	5,670	-	191,028
	Mineral properties	3,815,124	-	-	3,815,124
	Total assets	5,503,243	1,083,015	74,706,657	81,292,915
	Current liabilities	768,887	5,670,081	750,870	7,189,838
	Due to exploration partner	-	-	634,740	634,740
	Total liabilities	768,887	5,670,081	1,385,610	7,824,578

		Los Helados Project	Lunahuasi & Valle Ancho	Corporate	Total
As at December 31, 2022	Current assets	8,301,240	536,267	18,712,293	27,549,800
	Non-current receivables and other assets	840,337	-	-	840,337
	Equipment	-	18,723	-	18,723
	Mineral properties	3,902,697	-	-	3,902,697
	Total assets	13,044,274	554,990	18,712,293	32,311,557
	Current liabilities	6,044,223	432,919	850,809	7,327,951
	Non-current accrued liabilities	338,600	-	-	338,600
	Due to exploration partner	-	-	630,460	630,460
	Total liabilities	6,382,823	432,919	1,481,269	8,297,011

(Expressed in Canadian Dollars, unless otherwise stated)

Year ended December 31,		**Los Helados Project**	**Lunahuasi & Valle Ancho**	**Corporate**	**Other**	**Total**
2023	Exploration and project investigation	15,094,448	25,141,638	-	47,285	40,283,371
	Gain on use of marketable securities	(61,957)	(8,968,580)	-	-	(9,030,537)
	General and administration and other items	117,986	(510,600)	6,857,972	-	6,465,358
	Net loss	15,150,477	15,662,458	6,857,972	47,285	37,718,192

		Los Helados Project	**Lunahuasi & Valle Ancho**	**Corporate**	**Other**	**Total**
2022	Exploration and project investigation	23,062,652	5,784,485	-	76,708	28,923,845
	Gain on use of marketable securities	(57,155)	(1,918,201)	-	-	(1,975,356)
	General and administration and other items	84,312	24,842	5,357,619	-	5,466,773
	Net loss	23,089,809	3,891,126	5,357,619	76,708	32,415,262

16. USE OF MARKETABLE SECURITIES

From time to time, the Company may acquire and transfer marketable securities to facilitate intragroup funding transfers between the Canadian parent and its Argentine operating subsidiaries.

The Company does not acquire marketable securities or engage in these transactions for speculative purposes. In this regard, under this strategy, the Company generally uses marketable securities of large and well-established companies, with high trading volumes and low volatility. Nonetheless, as the process to acquire, transfer and ultimately sell the marketable securities occurs over several days, some fluctuations are unavoidable.

As the marketable securities are acquired with the intention of a near term sale, they are considered financial instruments that are held for trading. Accordingly, all changes in the fair value of the instruments, between acquisition and disposition, are recognized through profit or loss.

As a result of having utilized this mechanism for intragroup funding for the year ended December 31, 2023, the Company realized a net gain of $9,030,537 (2022: $1,975,356). The net gain for the year ended December 31, 2023 was comprised of a favorable foreign currency impact of $10,100,473 (2022: $2,269,711) and a trading loss of $1,069,936 (2022: $294,355), including the impact of fees and commissions.

17. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the definition and management of capital, the Company considers the items included in shareholders' equity to be capital.

The Company manages the capital structure and makes adjustments, as necessary, in light of changes in economic conditions and the risk characteristics of its assets. In order to maintain or adjust the capital structure, the Company may attempt to issue new shares or debt instruments, acquire or dispose of assets, or to bring in joint venture partners.

To facilitate the management of its capital requirements, the Company may prepare expenditure plans and budgets that are updated as necessary depending on various factors, including, but not limited to, successful capital deployment and general industry conditions.

(Expressed in Canadian Dollars, unless otherwise stated)

18. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISKS

The Company has estimated the fair values of its financial instruments based on appropriate valuation methodologies. These values are not materially different from their carrying value.

The Company classifies the fair value of its financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at December 31, 2023, the Company's financial instruments consist of cash, receivables and other assets, short-term investments, trade payables and accrued liabilities, and the amounts due to its exploration partner. Other than for the amounts due to its exploration partner, the carrying values of the Company's financial instruments are considered to be reasonable approximations of fair value due to their short-term nature. For amounts due to its exploration partner, the Company revalues the liability from time to time based on revisions to the timing and amounts of expected future settlement, which the Company believes is a reasonable approximation of fair value. Between revaluations, the liability is accreted.

As at December 31, 2023, the Company's financial instruments are exposed to the following financial risks, including credit, liquidity and currency risks:

(i) Credit risks associated with cash is minimal as the Company deposits the majority of its cash with a large Canadian financial institution that has been accorded a strong investment grade rating by a primary rating agency.

(ii) Liquidity risks associated with the inability to meet obligations as they become due is minimized through the management of its capital structure as explained on Note 17 and by maintaining good relationships with significant shareholders and creditors, such as Nemesia, Zebra and Lorito. The Company also closely monitors and reviews its costs to date and actual cash flows on a monthly basis.

The maturities of the Company's financial liabilities as at December 31, 2023, are as follows:

	Total	**Less than 1 year**	**1-5 years**	**More than 5 years**
Accounts payable and accrued liabilities	7,189,838	7,189,838	-	-
Due to exploration partner	4,432,169	-	-	4,432,169
Total	**11,622,007**	**7,189,838**	**-**	**4,432,169**

In accordance with the terms of a JEA between the Company and the partner, NCR, the Company has elected to settle the Obligation through funding NCR's share of exploration expenditures, which remained US$3.4 million as at December 31, 2023, and has no defined timeline for settlement. The Obligation has been discounted and recorded at its present value at an annual effective rate of 8%. The figure provided in the preceding table represents the Canadian dollar equivalent of the liability on an undiscounted basis.

(iii) Foreign currency risk can arise when the Company or its subsidiaries transact or have net financial assets or liabilities which are denominated in currencies other than their respective functional currencies.

At December 31, 2023, the Company's largest foreign currency risk exposure existed at the level of its Canadian headquarters, where the Company held a net financial asset position denominated in US dollars having a Canadian dollar equivalent of approximately $8,600,000. A 10% change in the foreign exchange rate between the US dollar, and the Canadian dollar, NGEx Minerals' functional currency, would give rise to increases/decreases of approximately $860,000 in financial position/comprehensive loss.

NGEx Minerals Corporate Directory

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Registrar and Transfer Agent
Computershare Trust Company of Canada
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Officers
Wojtek Wodzicki
President and CEO

Jeff Yip
Chief Financial Officer

Bob Carmichael
Vice President, Exploration

Brent Bonney
Vice President, Corporate Development & Investor Relations

Judy McCall
Corporate Secretary

Directors
William Rand (Chair)
Wojtek Wodzicki
Adam I. Lundin
Alessandro Bitelli
Cheri Pedersen
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Solicitors
Cassels Brock & Blackwell LLP
Vancouver, B.C. Canada

Share Listing
TSX: NGEX
OTCQX: NGXXF
CUSIP: 65343P103

(1) Effective April 15, 2024, the corporate head office will be changed to Suite 2800, Four Bentall Centre, 1055 Dunsmuir Street, Vancouver, BC, V7X 1L2, Canada