

TINKA RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED SEPTEMBER 30, 2020

This discussion and analysis of financial position and results of operation is prepared as at January 26, 2021 and should be read in conjunction with the audited consolidated financial statements and the accompanying notes for the years ended September 30, 2020 and 2019 of Tinka Resources Limited (the "Company" or "Tinka"). The following disclosure and associated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward-Looking Statements

Certain information in this MD&A may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "Forward-Looking Statements"). All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are Forward-Looking Statements. Forward-Looking Statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. Forward-Looking Statements are based upon the opinions and expectations of the Company based on information currently available to the Company. Forward-Looking Statements are subject to a number of factors, risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the Forward-Looking Statements including, among other things, the Company has yet to generate a profit from its activities; there can be no guarantee that the estimates of quantities or qualities of minerals disclosed in Tinka's public record will be economically recoverable; uncertainties relating to the availability and costs of financing needed in the future; successful completion of planned drill program; competition with other companies within the mining industry; the success of the Company is largely dependent upon the performance of its directors and officers and Tinka's ability to attract and train key personnel; changes in world metal markets and equity markets beyond Tinka's control; mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized; production rates and capital and other costs may vary significantly from estimates; unexpected geological conditions; delays in obtaining or failure to obtain necessary permits and approvals from government authorities; community relations; the preliminary nature of the PEA and the Company's ability to realize the results of the PEA; all phases of a mining business present environmental and safety risks and hazards and are subject to environmental and safety regulation, and rehabilitation and restitution costs; and management of Tinka have experience in mineral exploration but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Although Tinka believes that the expectations reflected in the Forward-Looking Statements, and the assumptions on which such Forward-Looking Statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on Forward-Looking Statements, as there can be no assurance that the plans, intentions or expectations upon which the Forward-Looking Statements are based will occur. Forward-Looking Statements herein are made as at the date hereof, and unless otherwise required by law, Tinka does not intend, or assume any obligation, to update these Forward-Looking Statements.

All of the Company's public disclosure filings, including its most recent annual information form, management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com or the Company's website www.tinkaresources.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

COVID-19

On March 11, 2020 the World Health Organization ("WHO") declared the novel coronavirus "COVID-19" as a global pandemic. There have been material disruptions to businesses, including mining, and impacts on governments and private organizations resulting in a broad economic slowdown as well as volatility in global equity and commodity markets. Peru has been one of the countries most impacted on a per capita basis by infections and deaths related to COVID-19. A state of emergency in Peru commenced on March 15, 2020 and will remain in place until at least

March 7, 2021. A strict national lockdown was enacted on March 15, 2020 and was lifted on July 1, 2020. Tinka stopped all field work in March 2020 and obtained permission from Peruvian authorities to restart operations in July 2020. The Company has implemented a health protocol designed to keep its employees, contractors and stakeholders safe. The health protocol includes such measures as the mandatory use of masks when travelling or working at the Company's project or office, the widespread and regular use of molecular and antigen testing for COVID-19 together with isolation prior to any travel, and regular health checks and monitoring of suspect cases as well as contact tracing. Physical distancing and working in group "bubbles" is strongly encouraged, and where possible, people are working from home.

It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods. The Company has taken steps to reduce its overhead costs to match reduced levels of activities during lockdown, slowly increasing expenditures on the lead up to the beginning of the drill program in October 2020.

Company Overview

Tinka is a junior mineral exploration company currently engaged in the acquisition and exploration of base and precious metals mineral properties in Peru, with the aim of developing these properties to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies can provide funding for development. The Company's activities have been focused on exploring its 100% owned Ayawilca and Colquipucro Properties (collectively the "Ayawilca Project"), located 40 kilometres northwest of Cerro de Pasco, Central Peru. As of the date of this MD&A, the Company has not earned any production revenue, nor found any proven reserves on any of its properties. The Company is a reporting issuer in British Columbia and Alberta and trades on the TSX Venture Exchange ("TSXV") as a Tier 1 issuer, under the symbol "TK", on the Lima Stock Exchange under the symbol "TK", on the Frankfurt Exchange under the symbol "TLD".

On January 13, 2020 the Company closed a strategic private placement equity financing with Compañía de Minas Buenaventura SAA ("Buenaventura") issuing 65,843,620 shares to Buenaventura for \$16,000,000 to the Company. Buenaventura is a precious and base metals mining and exploration-development company with numerous mining operations in Peru, and is listed on the New York Stock Exchange and Lima Stock Exchange. Buenaventura has become an insider of Tinka, holding approximately 19.3% of the outstanding common shares. Sentient Global Resources Fund IV, LP ("Sentient"), an insider of the Company, exercised its pre-existing participation rights in respect of the private placement. As a result, Sentient subscribed for 10,288,066 shares at the same issue price for \$2,500,000 and now holds an aggregate of 74,036,831 common shares of Tinka, approximately 21.7% of the Company's outstanding common shares.

On July 2, 2019 the Company announced the results of a Preliminary Economic Assessment ("PEA") prepared for the Ayawilca Project and on August 15, 2019 the Company filed a National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report for the PEA. See "Exploration Project, Peru".

A drill program commenced at Ayawilca in October 2020 and, as at the date of this MD&A, remains in progress (see "*Current Activities*" section below).

Directors and Officers

As at the date of this MD&A, the Company's Directors and Officers are as follows:

Graham Carman	- President, Chief Executive Officer ("CEO") and director
Ben McKeown	- Non-executive Chairman and director
Nick DeMare	- Chief Financial Officer ("CFO") and director
Alvaro Fernandez-Baca	- Vice President Exploration
Mary Little	- Director
Pieter Britz	- Director
Raul Benavides	- Director
Mariana Bermudez	- Corporate Secretary

Exploration Projects, Peru

Introduction

As at the date of this MD&A, Tinka holds 100% ownership of 59 granted mining concessions covering 16,548 hectares at the Company's flagship Ayawilca Project in the Department of Pasco, Central Peru. The Project is located 200 km northeast of Lima and 40 km northwest of Cerro de Pasco, a large carbonate replacement deposit ("CRD") mined for silver, zinc, lead and copper in historic and recent times. The key asset is the Zinc Zone, a CRD deposit containing an estimated 5.6 billion pounds of zinc and 25 million ounces of silver in inferred resources, and an additional 1.8 billion pounds zinc and 6 million ounces silver in indicated resources. The Zinc Zone was discovered by Tinka in 2012 and since then the Company has drilled more than 80,000 metres. The Zinc Zone is believed to be potentially amenable to bulk underground mining and was addressed in an initial economic study in the 2019 PEA. Several targets remain untested along strike of the current resource to the south.

The Ayawilca Project also hosts a silver deposit at Colquipucro (the "Colqui Silver Zone"), located 2 km north of the Ayawilca Zinc Zone. The Colqui Silver Zone is a shallow, disseminated, oxide deposit of silver mineralization hosted by sandstones from surface to a depth of 100 metres. The Colqui Silver Zone contains an estimated 14 million ounces of silver in indicated resources and 13 million ounces in inferred resources. The deposit remains open to the west.

Ayawilca also hosts a tin resource (the "Tin Zone"), physically separated and underlying the Zinc Zone by a few tens of metres. The Tin Zone contains an estimated 200 million pounds of tin, 67 million pounds of copper and 8 million ounces of silver in inferred resources. Tin is a high value metal used in solders and alloys in the high-tech industry.

Current Activities

Drilling

A 7,500 metre, 20-hole resource expansion drill program commenced at the Ayawilca Zinc Zone in October 2020 and remains in progress as of the date of this MD&A. The focus of the drill program is to test extensions of high-grade zinc-silver mineralization at West and South Ayawilca, and in particular, to expand the indicated resources estimation which currently stands at 11.7 million tonnes grading 8.1% ZnEq (see "*Mineral Resources*" section below). Two rigs are currently operational and are expected to remain on site until February 2021. To date, sixteen diamond drill holes have been completed (A20-169 to A21-184). Results for eleven of these holes are pending.

The Company has so far released the results of five drill holes in the current program, with three standouts (highlighted below). Holes A20-170 and A20-175 targeted extensions of indicated resources while A20-173 was an infill hole.

Hole A20-170 (South Ayawilca)

- 38.8 metres @ 9.3% zinc & 14 g/t silver from 282.6 metres to 321.4 metres depth, *including*
 - 13.7 metres @ 15.9% zinc & 26 g/t silver from 282.6 metres depth;
- 4.5 metres @ 14.5% zinc & 31 g/t silver from 340.1 metres depth; and
- 5.0 metres @ 5.2% zinc, 0.6% lead & 16 g/t silver from 352.4 metres depth.

Hole A20-173 (West Ayawilca)

- 18.7 metres @ 7.2% zinc & 11 g/t silver from 187.3 metres depth, *including*
 - 7.3 metres @ 11.8% zinc & 21 g/t silver from 196.0 metres depth; and
- 23.9 metres @ 6.2% zinc & 8 g/t silver from 252.1 metres depth; and
- 2.8 metres @ 15.0% zinc & 6 g/t silver from 284.0 metres depth.

Hole A20-175 (West Ayawilca)

- 1.2 metres @ 43.6% zinc, 0.5% lead & 212 g/t silver from 136.5 metres depth, and
- 14.3 metres @ 5.0% zinc & 9 g/t silver from 235.7 metres depth.

Mineralization in the above holes is associated with gently-dipping sulphide rich "mantos" hosted in limestones. True thicknesses of the mantos are estimated to be at least 90% of the downhole thicknesses.

Work Programs for 2021

Drilling will continue until the end of February 2021. Following the receipt of assays, expected by the end of April, the Company is planning an update of the PEA by the middle of 2021 which will incorporate an updated resource estimate for the Ayawilca Zinc Zone. The 2019 PEA (see section below for details) provided an initial economic study for an underground ramp-access mine development of the Zinc Zone deposit using room and pillar and post pillar mining at a throughput of 5,000 tonnes per day. Tinka is currently reviewing the mine plan, including consideration of alternative underground mining methods capable of sustaining a higher throughput.

The Company is also focusing on long-term permitting requirements for a future mine development at Ayawilca. An extended permit is required to cover new drill targets. Drill testing of the Far South area is planned for late 2021. Other infrastructure requirements for a future mining project, such as power and water needs, are currently being reviewed internally.

New Opportunities

Tinka has recently staked 10 mining concession applications for 6,900 hectares at three exploration target areas in central Peru, considered prospective for gold-silver and/or base metals. All areas are early stage exploration targets. Field work on these application areas is yet to commence.

Preliminary Economic Assessment - 2019

A PEA for the Zinc Zone only was released July 2, 2019. The Tin Zone and the Colquipucro Silver Zone were not considered. The PEA was prepared in accordance with NI 43-101 by Amec Foster Wheeler Peru S.A. (“Wood”) as principal consultant, Transmin Metallurgical Consultants, and Roscoe Postle Associates Inc. (“RPA”). We encourage readers to review the full NI 43-101 technical report which was filed on August 15, 2019, and can be downloaded under the Company’s profile on www.sedar.com or from the Company’s website [here](#). The Report is titled “*Ayawilca Polymetallic Project, Department of Pasco, Central Peru - NI 43-101 Technical Report*”.

Key highlights of the PEA include:

1. After-tax net present value “(NPV)”_{8%} of US \$363 million and pre-tax NPV_{8%} of US \$609 million for the Ayawilca Zinc Zone (using metal prices of US \$1.20/lb zinc, US \$18/oz silver, and US \$0.95/lb lead at an NSR cut-off of US \$ 65 per tonne).
2. Initial Capex of US \$262 million with after-tax IRR of 27.1% and pre-tax IRR of 37.2%.
3. A 21-year mine life with life of mine (“LOM”) head grades of 6.05% zinc, 18.3 g/t silver and 0.25% lead.
4. Average annual production of approximately 101,000 tonnes of zinc recovered in concentrate and approximately 906,000 ounces of silver in a silver-lead concentrate.
5. PEA mine plan extracted 72% of the base case Indicated Mineral Resources and 66% of the base case Inferred Mineral Resources.
6. Leverage to zinc price: 20% increase in zinc price increases after-tax NPV_{8%} to US \$606 million.
7. Indium, while occurring in high concentrations in the zinc concentrate, was not considered a payable metal in the PEA with the exception of a reduced treatment charge assumption in concentrates shipped to Asia.

Note: The PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Table 1. Summary of PEA Results

PEA Financial Summary	Pre-tax	After-tax
NPV (8% discount rate)	US \$609,000,000	US \$363,000,000
Internal Rate of Return (“IRR”)	37.2%	27.1%
Payback period	2.2 years	3.1 years
Pre-production capital expenditure (Capex) ⁽¹⁾		US \$261,900,000
Sustaining Capex		US \$144,600,000
LOM Capex		US \$406,500,000
Closure Cost (5.0% of LOM Capex)		US \$20,300,000

Notes: (1) Includes contingencies of US \$45,000,000.

PEA Operating Summary	
Processing plant throughput	5,000 t/day
Average annual zinc concentrate production	201,500 dmt/year
Average annual lead-silver concentrate production	7,570 dmt/year
Average annual silver in lead concentrate	905,700 oz/year
Net Smelter Return (“NSR”) from zinc and lead concentrates	US \$4,002,000,000
Mining costs	US \$36.66/t
Processing costs	US \$6.44/t
General and administration costs	US \$5.48/t
Total Operating Costs (Opex)	US \$48.57/t

Notes: dmt = dry metric tonne

PEA Metal Prices, Cut-off, and Other Assumptions	Input value
Zinc Price	US \$1.20/lb
Lead Price	US \$0.95/lb
Silver Price	US \$18/oz
NSR Cut-off value	US \$65/t
Total material processed (LOM)	38,200,000 tonnes
Mine Life	21.1 years

Metallurgical Testwork

On June 5, 2019, the Company announced locked cycle flotation metallurgical test results on composite zinc sulphide samples from Ayawilca. The metallurgical test program was carried out by XPS Consulting and Testwork Services, Ontario, under the project supervision of Transmin Metallurgical Consultants, Lima.

Key highlights of the metallurgical test program included:

1. A flowsheet using a standard flotation process for the zinc mineralization at West and South Ayawilca was successfully developed.
2. Testwork demonstrated that zinc recoveries of 92% at a zinc concentrate grade of 50% can be consistently achieved. Two locked cycle tests were carried out on two different styles of mineralization (a pyrite rich composite sample, and a low pyrite - high silica composite sample, respectively), with both tests producing similar zinc concentrate grade characteristics and zinc recoveries.
3. Potentially deleterious elements in the zinc concentrates (including silica, manganese, cadmium, mercury, and arsenic) are well below standard smelter penalty levels. A small penalty is anticipated for iron content in the concentrate.

Mineral Resources

The current resources at the Ayawilca Project, as estimated by RPA of Toronto, Canada, are highlighted in the following tables. The Mineral Resources for the Zinc Zone (Tables 2 to 4) and Tin Zone (Table 5) have an effective date of November 26, 2018. The Colquipucro Silver Zone resource estimate has an effective date of May 25, 2016 (Table 6).

Table 2 - Ayawilca Deposit Indicated Mineral Resource - Zinc Zone as of November 26, 2018
Sensitivities at various cut-off grades

NSR \$/t Cut-off	Tonnage (Mt)	ZnEq (% grade)	Zinc (%)	Lead (%)	Indium (g/t)	Silver (g/t)
40	13.6	7.4	6.3	0.16	75	15
50	12.4	7.9	6.7	0.17	80	15
55	11.7	8.1	6.9	0.16	84	15
60	10.8	8.5	7.2	0.16	89	16
70	9.4	9.2	7.7	0.15	99	16
80	7.9	10.0	8.4	0.15	111	17

Notes:

1. Base case highlighted with **bold** text.
2. See Table 4 for notes.

Table 3 - Ayawilca Deposit Inferred Mineral Resources - Zinc Zone as of November 26, 2018
Sensitivities at various cut-off grades

NSR \$/t Cut-off	Tonnage (Mt)	ZnEq (% grade)	Zinc (%)	Lead (%)	Indium (g/t)	Silver (g/t)
40	52.7	6.2	5.2	0.24	60	17
50	48.1	6.5	5.4	0.24	64	17
55	45.0	6.7	5.6	0.23	67	17
60	41.5	7.0	5.8	0.23	70	18
70	33.9	7.6	6.4	0.22	78	18
80	26.9	8.3	6.9	0.22	86	20

Notes:

1. Base case highlighted with **bold** text.
2. See Table 4 for notes.

Table 4 - Zinc Zone Mineral Resources Base Case at Ayawilca by Area
As of November 26, 2018

Area	Tonnage (Mt)	ZnEq (%)	Zn (%)	Pb (%)	In (g/t)	Ag (g/t)	Zn (Mlb)	Pb (Mlb)	In (kg)	Ag (Moz)
Indicated										
West	7.8	7.7	6.5	0.20	72	15	1,126	35	561	3.9
South	3.9	9.1	7.6	0.09	108	16	652	8	422	2.0
Total Indicated	11.7	8.1	6.9	0.16	84	15	1,778	42	983	5.8
Inferred										
West	5.0	7.1	6.4	0.27	34	17	699	30	170	2.8
Central	18.6	5.6	4.6	0.23	62	12	1,884	95	1,153	7.5
East	11.3	5.9	5.0	0.18	56	14	1,238	44	633	5.0
South	10.2	9.6	7.9	0.27	103	30	1,764	61	1,047	9.9
Total Inferred	45.0	6.7	5.6	0.23	67	17	5,585	230	3,003	25.2

Notes:

1. The Qualified Person for the estimate is Ms. Dorota El Rassi, P.Eng., an RPA employee. Mineral Resources have an effective date of November 26, 2018.
2. Mineral Resources are reported using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Mineral Resources are reported above a cut-off grade of US \$55 per tonne NSR value.
4. The NSR value was based on estimated metallurgical recoveries, assumed metal prices and smelter terms, which include payable factors, treatment charges, penalties, and refining charges. Metal price assumptions were: US \$1.15/lb Zn, US \$300/kg In, US \$15/oz Ag, and

US\$1.00/lb Pb. Metal recovery assumptions were: 90% Zn, 75% In, 60% Ag, and 75% Pb. The NSR value for each block was calculated using the following NSR factors: US \$15.34 per % Zn, US\$ 4.70 per % Pb, US \$0.18 per gram In, and US \$0.22 per gram Ag.

5. The NSR value was calculated using the following formula:
 $NSR = Zn(\%)*US\ \$15.34 + Pb(\%)*US\ \$4.70 + In(g/t)*US\ \$0.18 + Ag(g/t)*US\ \0.22
6. The ZnEq value was calculated using the following formula:
 $ZnEq = NSR/US\ \$15.34$
7. Numbers may not add due to rounding.

**Table 5 - Tin Zone Inferred Mineral Resources at Ayawilca Deposit
As of November 26, 2018**

	Tonnage (Mt)	SnEq (%f)	Sn (%)	Cu (%)	Ag (g/t)	Sn (Mlb)	Cu (Mlb)	Ag (Moz)
Tin Zones	14.5	0.70	0.63	0.21	18	201	67	8

Notes:

1. The Qualified Person for the estimate is Ms. Dorota El Rassi, P.Eng., an RPA employee. Mineral Resources have an effective date of November 26, 2018 CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Mineral Resources are reported above a cut-off grade of US \$55 per tonne NSR value.
4. The NSR value was based on estimated metallurgical recoveries, assumed metal prices and smelter terms, which include payable factors, treatment charges, penalties, and refining charges. Metal price assumptions were: US \$9.00/lb Sn, US \$2.85/lb Cu, and US \$15/oz Ag. Metal recovery assumptions were: 86% Sn, 75% Cu, and 60% Ag. The NSR value for each block was calculated using the following NSR factors: US \$155.21 per % Sn, US \$37.59 per % Cu, and US \$0.22 per gram Ag.
5. The NSR value was calculated using the following formula: $US\$NSR = Sn(\%)*US\ \$155.21 + Cu(\%)*US\ \$37.59 + Ag(g/t)*US\ \0.22
6. The SnEq value was calculated using the following formula: $SnEq = NSR/US\ \$155.21$
7. Numbers may not add due to rounding.

**Table 6 - Mineral Resource Estimate, Colquipucro Silver Zone
As of May 25, 2016**

Zone and Confidence Classification	Tonnage (Mt)	Ag (g/t)	Contained Ag (Moz)
<i>Indicated</i>			
High Grade Lenses	2.9	112	10.4
Low Grade Halo	4.5	27	3.9
Total Indicated	7.4	60	14.3
<i>Inferred</i>			
High Grade Lenses	2.2	105	7.5
Low Grade Halo	6.2	28	5.7
Total Inferred	8.5	48	13.2

Notes:

1. The Qualified Person for the estimate is Ms. Dorota El Rassi, P.Eng., an RPA employee. Mineral Resources have an effective date of May 25, 2016.
2. Mineral Resources are reported using the 2014 CIM Definition Standards. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
3. Mineral Resources are reported within a preliminary pit-shell and above a reporting cut-off grade of 15 g/t Ag for the Low-Grade Halo and 60 g/t Ag for the High-Grade Lenses.
4. The cut-off grade is based on a silver price of US\$24/oz Ag.
5. Numbers may not add due to rounding.

Ayawilca Project - Geology

Zinc mineralization at Ayawilca is predominantly hosted by the Pucará Group limestone, a gently dipping limestone unit 150 to 250 m thick of Triassic-Jurassic age, which does not outcrop in the area of the Zinc Zone. The Pucará limestone is brecciated in the vicinity of the mineralization. The lower contact of the Pucará limestone is a low-angle east-dipping thrust fault, beneath which lies Excelsior Group metamorphosed sediments or “phyllite” of Paleozoic age. Pucará limestone is overlain by Goyllarisguizga (“Goyllar”) sandstones and siltstones 120 to 200 metres thick of Cretaceous age, which outcrop extensively above the resource area and are gently east dipping. Goyllar sandstones host a minor component of the Zinc Zone resource near the contact with limestone. The sandstone acted as a “seal” to the mineralization, one of the reasons as to why Ayawilca was not discovered until recent times. Mineralization is believed to be associated with Tertiary intrusions which post-date uplift and folding of the sedimentary sequence.

The Colquipucro Fault, a north-northwest trending steep-dipping fault system on the western side of the deposit appears to control high-grade zinc mineralization at the West and South Ayawilca areas. Low-angle thrust faults acted

as conduits for both the tin and zinc mineralization, both at the phyllite-limestone contact and within the limestone. An anticlinal fold hinge, which runs parallel to the Colquipucro Fault, appears to be have concentrated the high-grade zinc zones at South Ayawilca.

Zinc mineralization occurs as sulphide “mantos” typically 5 to 30 m thick and up to 50 m thick. At West and South Ayawilca mantos are stacked on top of each other to form thick almost continuous zones with vertical thicknesses of 100 to 150 m. Zinc mantos at Central and East Ayawilca are typically narrower, with individual mantos horizontally continuous over hundreds of metres. Zinc mineralization occurs as iron-rich sphalerite (“marmatite”) accompanied by low-iron sphalerite, pyrite, magnetite with minor pyrrhotite, galena, arsenopyrite, and chalcopyrite, together with chlorite, clay, siderite, and quartz.

The Colqui Silver Zone was mined at a small scale in historic times for lead and silver. Mineralization is hosted by Goyllar sandstones and occurs in both a disseminated and fracture hosted form. The majority of the drilled mineralization at Colqui is oxidised, associated with iron oxides and/or manganese oxides. Silver mineralization occurs from surface to a depth of about 100 metres.

The Tin Zone mineralization predates and is physically separated from the Zinc Zone mineralization. The tin mineralization typically forms flat-lying sulphide mantos between 5 and 20 metres thick at the contact of the limestone and phyllite. The tin-bearing mantos consist of pyrrhotite rich sulphides with lesser quartz, chlorite, cassiterite, pyrite, and chalcopyrite. Quartz stockworks in the phyllite can also host tin mineralization.

Qualified Persons

The qualified person for the Company’s projects, Dr. Graham Carman, President and CEO of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy (“FAUSIMM”), has reviewed and verified the technical information in this MD&A and is responsible for other technical information (information not directly related to the Mineral Resource Estimate or the PEA) in this MD&A.

The Mineral Resources disclosed in this MD&A have been estimated by Mrs. Dorota El Rassi, P.Eng., of Roscoe Postle Associates Inc. (RPA). Mrs. El Rassi is a Qualified Persons as defined in NI 43-101 and independent of Tinka.

Mr. William Colquhoun, Principal Metallurgical Consultant with Amec Foster Wheeler (Peru) S.A., a Wood company, a Qualified Person as defined in NI 43-101 and independent of Tinka, was responsible for the results of the PEA contained in this MD&A.

Mr. Edwin Peralta, P.E., a Senior Engineer with Wood Mining and Metals USA, a Qualified Person under NI 43-101 and independent of Tinka, was also responsible for the results of the PEA in this MD&A.

Mr. Adam Johnson, FAUSIMM (CP), Chief Metallurgist with Transmin Metallurgical Consultants (Peru), a Qualified Person under NI 43-101 and independent of Tinka, was responsible for the metallurgical assumptions of the PEA in this MD&A.

Selected Financial Data

The following selected financial information is derived from the audited annual consolidated financial statements of the Company.

	Year Ended September 30,		
	2020 \$	2019 \$	2018 \$
Operations:			
Revenues	Nil	Nil	Nil
Expenses	(3,054,558)	(2,767,231)	(3,092,251)
Other items	371,289	321,229	275,886
Net loss	(2,683,269)	(2,446,002)	(2,816,365)
Loss per share - basic and diluted	(0.01)	(0.01)	(0.01)
Dividends per share	Nil	Nil	Nil

	Year Ended September 30,		
	2020 \$	2019 \$	2018 \$
Balance Sheet:			
Working capital	20,160,588	5,945,016	13,758,538
Total assets	69,306,911	52,808,759	53,647,845
Total long-term liabilities	Nil	Nil	Nil

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2020				Fiscal 2019			
	Sept. 30 2020 \$	Jun. 30 2020 \$	Mar. 31 2020 \$	Dec. 31 2019 \$	Sept. 30 2019 \$	Jun. 30 2019 \$	Mar. 31 2019 \$	Dec. 31 2018 \$
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(417,775)	(424,330)	(1,747,654)	(464,799)	(436,942)	(623,770)	(764,907)	(941,612)
Other items	(3,053)	(567,189)	933,211	8,320	105,579	(24,910)	(76,182)	316,742
Net loss and comprehensive loss	(420,828)	(991,519)	(814,443)	(456,479)	(331,363)	(648,680)	(841,089)	(624,870)
Loss per share -basic and diluted	(0.00)	(0.01)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital	20,160,588	20,872,770	22,355,992	4,441,536	5,945,016	8,350,122	10,581,942	12,361,332
Total assets	69,306,911	69,307,616	70,211,504	52,067,039	52,808,759	52,696,698	53,132,829	53,709,448
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended September 30, 2020 Compared to Three Months Ended June 30, 2020

During the three months ended September 30, 2020 (“Q4”) the Company reported a net loss of \$420,828 compared to a net loss of \$991,519 for the three months ended June 30, 2020 (“Q3”), a decrease in loss of \$570,691. The overall decrease in loss was primarily attributed to a decrease in foreign exchange loss of \$556,305, when the Company recorded a \$601,024 foreign exchange loss in Q3 compared to a \$44,719 loss in Q4 due to the fluctuation of US dollar to Canadian dollar exchange rates.

Three Months Ended September 30, 2020 Compared to Three Months Ended September 30, 2019

During the three months ended September 30, 2020 (the “Q4/2020”) the Company reported a net loss of \$420,828, compared to a net loss of \$331,363 for the three months ended September 30, 2019 (the “Q4/2019”), an increase in loss of \$89,465. The increase in loss is mainly attributed to the recognition of a foreign exchange loss of \$44,719 in Q4/2020 compared to a foreign exchange gain of \$63,238 in Q4/2019 due to the fluctuation of exchange rates.

Year Ended September 30, 2020 Compared to Year Ended September 30, 2019

During the year ended September 30, 2020 (“fiscal 2020”), the Company reported a net loss of \$2,683,269 compared to a net loss of \$2,446,002 for the year ended September 30, 2019 (“fiscal 2019”), an increase in loss of \$237,267. During fiscal 2020 the Company’s expenses increased by \$287,327 from \$2,767,231 in fiscal 2019 to \$3,054,558 in fiscal 2020 and a \$46,019 decrease in interest income. The increase in expenses was partially offset by a \$96,079 increase in foreign exchange gain where the Company recognized a foreign exchange gain of \$180,675 in fiscal 2020 compared to a foreign exchange gain of \$84,596 during fiscal 2019. Significant fluctuations in expenses were as follows:

- (i) during fiscal 2020 the Company recorded share-based compensation expense of \$1,074,407 (2019 - \$759,955) on the granting and vesting of share options;

- (ii) during fiscal 2020 the Company incurred \$650,100 (2019 - \$492,772) for directors and officers compensation of which \$130,000 (2019 - \$nil) was attributed to fees for special services provided by certain officers of the Company. See also “Transactions with Related Parties”;
- (iii) legal expenses decreased by \$49,110 during fiscal 2020 to \$52,983 compared to \$102,093 during fiscal 2019. During fiscal 2019 the Company incurred ongoing legal expenses relating to the listing of the Company’s common shares on the Lima Stock Exchange;
- (iv) professional fees decreased by \$37,344, from \$42,994 during fiscal 2019 to \$5,650 during fiscal 2020. The decrease was attributable to fees paid in fiscal 2019 to a personnel agency and services provided by the mining consultant to oversee the preparation of the PEA;
- (v) during fiscal 2020 the Company incurred a total of \$121,677 (2019 - \$101,114) for accounting and administration. The Company incurred a total of \$57,800 (2019 - \$64,000) with Chase Management Ltd. (“Chase”), a private corporation owned by Mr. DeMare, the Company’s CFO, for accounting and administrative services provided by Chase personnel, excluding Mr. DeMare. In addition, during fiscal 2020 the Company was also billed \$63,877 (2019 - \$37,114) for accounting services provided by a third-party accounting firm in Peru;
- (vi) during fiscal 2020 the Company incurred \$77,120 (2019 - \$123,924) for general exploration costs. The decrease reflects an increase in capitalization of certain costs to exploration and evaluation assets during fiscal 2020;
- (vii) a \$61,293 decrease in investment conferences, from \$108,407 during fiscal 2019 to \$47,114 during fiscal 2020. The decrease in fiscal 2020 is due to the decrease in investment conferences attended due to COVID-19; and
- (viii) incurred travel expenses of \$179,351 during fiscal 2019 compared to \$101,252 during fiscal 2020. The decrease in travel activities in fiscal 2020 is a result of COVID-19 travel restrictions.

The Company holds its cash in interest bearing accounts in major financial institutions. The Company has also set aside US \$6,000,000 in deposit with its financial institution. These funds were segregated for the purpose of incurring expenditures for certain project related costs on the Company’s Ayawilca Project. These funds also bear interest. Interest income is generated from the deposits and fluctuates primarily with the levels of cash on deposit. During fiscal 2020 the Company recorded interest income of \$190,614 compared to \$236,633 during fiscal 2019, a decrease of \$46,019 due to lower yields received during fiscal 2020.

The carrying costs of the Company’s exploration and evaluation assets are as follows:

	As at September 30, 2020			As at September 30, 2019		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Colquipucro	402,014	8,794,352	9,196,366	402,014	8,646,520	9,048,534
Ayawilca	1,297,195	35,026,527	36,323,722	975,954	32,330,409	33,306,363
Other	-	2,797,596	2,797,596	-	3,433,415	3,433,415
	<u>1,699,209</u>	<u>46,618,475</u>	<u>48,317,684</u>	<u>1,377,968</u>	<u>44,410,344</u>	<u>45,788,312</u>

Exploration and evaluation activities incurred during fiscal 2020 and fiscal 2019 are as follows:

	Colquipucro \$	Ayawilca \$	Other \$	Total \$
Balance at September 30, 2018	<u>8,714,813</u>	<u>27,638,540</u>	<u>2,919,465</u>	<u>39,272,838</u>
Exploration costs				
Camp costs	-	776,618	-	776,618
Community relations	298,361	1,478,490	-	1,776,851
Consulting	-	88,026	-	88,026
Depreciation	-	7,007	-	7,007
Drilling	-	1,009,797	-	1,009,797
Environmental	14,644	415,616	-	430,260
Geological	-	533,880	-	533,880
Health and safety	-	120,804	-	120,804
Metallurgical	-	205,883	-	205,883
Modelling	-	53,474	-	53,474

	Colquipucro \$	Ayawilca \$	Other \$	Total \$
Preliminary economic assessment		604,283		604,283
Software and database management	-	19,548		19,548
Topography	-	1,593	-	1,593
Travel	-	13,558	-	13,558
VAT incurred	-	-	513,950	513,950
	<u>313,005</u>	<u>5,328,577</u>	<u>513,950</u>	<u>6,155,532</u>
Acquisition costs				
Concession payments	<u>20,696</u>	<u>339,246</u>	<u>-</u>	<u>359,942</u>
Balance at September 30, 2019	<u>9,048,534</u>	<u>33,306,363</u>	<u>3,433,415</u>	<u>45,788,312</u>
Exploration costs				
Assays	-	17,564	-	17,564
Camp costs	530	616,066	-	616,596
Community relations	147,302	780,734	-	928,036
Depreciation	-	10,255	-	10,255
Drilling	-	52,811	-	52,811
Engineering	-	145,930	-	145,930
Environmental	-	317,099	-	317,099
Geological	-	437,224	-	437,224
Health and safety	-	180,718	-	180,718
Metallurgical	-	82,784	-	82,784
Modelling	-	37,399	-	37,399
Software and database management	-	14,759	-	14,759
Topography	-	2,775	-	2,775
VAT incurred	-	-	309,038	309,038
VAT recovered	-	-	(944,857)	(944,857)
	<u>147,832</u>	<u>2,696,118</u>	<u>(625,819)</u>	<u>2,208,131</u>
Acquisition costs				
Concession payments	<u>-</u>	<u>321,241</u>	<u>-</u>	<u>321,241</u>
Balance at September 30, 2020	<u>9,196,366</u>	<u>36,323,722</u>	<u>2,797,596</u>	<u>48,317,684</u>

During fiscal 2020 the Company focused on continuing exploration drilling, metallurgical test work, construction of access roads and platforms, rehabilitation of drill sites and access tracks with local communities and completion of the PEA. The Company incurred a total of \$2,529,372 (2019 - \$6,515,474) for exploration expenditures and acquisition costs, comprising \$3,017,359 (2019 - \$5,667,823) on the Ayawilca Project, \$147,832 (2019 - \$333,701) on the Colquipucro Project, and a recovery of VAT tax \$625,819 (2019 - payment of VAT tax \$513,950) in Peru. See also “Exploration Projects, Peru”.

Financings

During fiscal 2020 the Company completed a non-brokered private placement financing totalling 76,131,686 common shares of the Company for \$18,500,000, and issued 65,843,620 common shares of the Company to Compania de Minas Buenaventura S.A. for \$16,000,000 and 10,288,066 common shares to Sentient Global Resources Fund IV, LP for \$2,500,000. The net proceeds from the private placement will be used for development of the Company’s Ayawilca Project, further exploration, and for working capital and general corporate purposes.

During fiscal 2019 the Company did not conduct any equity financings. During fiscal 2019 the Company issued 1,942,829 common shares for gross proceeds of \$393,567 on the exercise of share options and warrants.

Financial Condition / Capital Resources

The Company’s ability to continue as a going concern is dependent upon the ability of the Company to obtain the necessary financing to develop properties and to establish future profitable production. To date the Company has not earned significant revenues and is considered to be in the exploration stage. The Company’s operations are funded from equity financings which are dependent upon many external factors and may be difficult to impossible to secure or raise when required. As at September 30, 2020 the Company had working capital in the amount of \$20,160,588,

including \$8,003,400 (US \$6,000,000) set aside by the Company for certain project related costs to be incurred on the Ayawilca Project. Management considers that the Company has sufficient funds to implement the 2020 exploration program at the Zinc Zone, advance the Ayawilca Project and maintain ongoing corporate overhead and field expenses over the next twelve months. See also “Exploration Project, Peru, Work Program for 2020 and COVID-19 Update”. Exploration activities may change as a result of ongoing results and recommendations or the Company may acquire additional properties which may entail significant exploration commitments. While the Company has been successful in securing financings in the past, there is material uncertainty it will be able to do so in the future.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

The Company has no proposed transactions.

Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Examples of significant estimates made by management include estimating the fair values of financial instruments, valuation allowances for deferred income tax assets and assumptions used for share-based compensation. Actual results may differ from those estimates.

A detailed summary of all the Company’s significant critical accounting estimates is included in Note 3 to the September 30, 2020 annual consolidated financial statements.

Changes in Accounting Policies

IFRS 16 - Leases (“IFRS 16”)

Effective October 1, 2019, the Company adopted IFRS 16. IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16’s approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

There was no impact on the Company’s consolidated financial statements upon the adoption of this new standard.

A detailed summary of all the Company’s other significant accounting policies is included in Note 3 to the September 30, 2020 annual consolidated financial statements.

Transactions with Related Parties

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Certain of these entities transacted with the Company during the reporting period.

(a) Transactions with Key Management Personnel

During fiscal 2020 and 2019 the following amounts were incurred with respect to the Company’s CEO (Dr. Carman), the Company’s CFO (Mr. Nick DeMare) and the Company’s VP of Exploration (Mr. Alvaro Fernandez-Baca) as follows:

	2020	2019
	\$	\$
Management fees - Dr. Carman	279,336	280,008
Special services - Dr. Carman	75,000	-

	2020 \$	2019 \$
Management fees - Mr. Fernandez-Baca	225,959	219,310
Special services - Mr. Fernandez-Baca	40,000	-
Professional fees - Mr. DeMare	33,100	30,000
Share-based compensation - Dr. Carman	292,500	168,687
Share-based compensation - Mr. DeMare	91,000	50,606
Share-based compensation - Mr. Fernandez-Baca	<u>156,000</u>	<u>84,344</u>
	<u>1,192,895</u>	<u>832,955</u>

During fiscal 2020 the Company expensed \$517,820 (2019 - \$397,732) to directors and officers compensation and \$539,500 (2019 - \$303,637) for share-based compensation. In addition, the Company capitalized \$135,575 (2019 - \$131,586) of compensation paid to the VPE to exploration and evaluation assets.

As at September 30, 2020, \$nil (2019 - \$44,191) remained unpaid.

The Company has a management agreement with its CEO which provides that in the event the CEO's services are terminated without cause or upon a change of control of the Company, a termination payment is payable. If the termination had occurred on September 30, 2020 the amount payable under the agreement would be approximately \$620,000.

The Company has a management agreement with its VPE which provides that in the event the VPE's services are terminated without cause or upon a change of control of the Company, a termination payment is payable. If the termination had occurred on September 30, 2020 the amount payable under the agreement would be approximately \$240,000.

(b) *Transactions with Other Related Parties*

(i) During fiscal 2020 and 2019 the following amounts were incurred for professional services provided by non-management directors of the Company (Mary Little, Ben McKeown, and Raul Benavides) and the Corporate Secretary (Mariana Bermudez):

	2020 \$	2019 \$
Professional fees - Ms. Little	27,500	24,000
Professional fees - Mr. McKeown	42,800	24,000
Professional fees - Mr. Benavides*	15,500	-
Professional fees - Ms. Bermudez	31,480	47,040
Special services - Ms. Bermudez	15,000	-
Share-based compensation - Ms. Little	91,000	54,499
Share-based compensation - Mr. McKeown	117,000	129,760
Share-based compensation - Ms. Bermudez	<u>65,000</u>	<u>47,172</u>
	<u>405,280</u>	<u>326,471</u>

* Elected on February 27, 2020

As at September 30, 2020 \$1,680 (2019 - \$10,000) remained unpaid.

(ii) During fiscal 2020 the Company incurred a total of \$57,800 (2019 - \$64,000) with Chase, a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding Mr. DeMare, and \$4,020 (2019 - \$4,020) for rent. As at September 30, 2020, \$4,170 (2019 - \$335) remained unpaid.

During fiscal 2019 the Company also recorded \$16,869 for share-based compensation for share options granted to Chase.

Risks and Uncertainties

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral concessions, claims and other interests, as well as for the recruitment and retention of qualified employees.

The Company is in compliance with all material regulations applicable to its exploration activities. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted. Before production can commence on any properties, the Company must obtain regulatory and environmental approvals. There is no assurance that such approvals can be obtained on a timely basis or at all. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

The Company's mineral properties are located in Peru and consequently the Company is subject to certain risks, including currency fluctuations and possible political or economic instability which may result in the impairment or loss of mining title or other mineral rights, and mineral exploration and mining activities may be affected in varying degrees by political stability and governmental regulations relating to the mining industry.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at January 26, 2021, there were 340,740,717 issued common shares and 13,687,500 share options outstanding, at exercise prices ranging from \$0.25 to \$0.50 per share.