PANORO MINERALS LTD.

Management's Discussion and Analysis – Quarterly Highlights

As at and for the Three and Nine-Month Periods

Ended September 30, 2021 and 2020

November 29, 2021

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Background & Date

The Management's Discussion and Analysis – Quarterly Highlights ("MD&A") should be read in conjunction with the condensed consolidated interim financial statements of Panoro Minerals Ltd. ("Panoro" or the "Company") for the three months ("Q3 2021") and nine months ended September 30, 2021 ("fiscal 2021"), with comparative figures for the three months ended September 30, 2020 ("Q3 2020") and the nine months ended September 30, 2020 ("fiscal 2020"), and the Company's audited financial statements as at and for the year ended December 31, 2020, as filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") website. This report has been dated as at November 29, 2021, and was approved by the Board of Directors on November 26, 2021.

The common shares of the Company are listed on the TSX Venture Exchange ("TSXV") under the trading symbol "PML", the Junior Board of the Bolsa de Valores de Lima ("PML" - Lima Stock Exchange), ("POROF" on the OTCQB in the United States) and ("PZM" on the Frankfurt Exchange).

Additional Sources of Information

For a complete understanding of the Company's business environment, risks and uncertainties and the effect of accounting estimates on its results of operations and financial condition, this MD&A should be read together with the Company's Annual Management Discussion for the years ended December 31, 2020 and 2019, the 2020 Annual Information Form, 2020 Management Information Circular, Material Change Reports, press releases, and the Company's technical reports, all of which are available on the SEDAR website at www.sedar.com or on the Company's website www.panoro.com.

Currency

All dollar amounts set forth in the tables and financial section of this MD&A are expressed in Canadian dollars and referred to as "$" and financial information is prepared and recorded under IFRS unless otherwise specifically indicated. There are also references in this MD&A to Perúvian Nuevo Soles ("S/.") and United States dollars ("US"). On September 30, 2021, the closing rate for one Canadian dollar in S/. was C$1.00 = S/. 3.2404, and the closing rate for one Canadian dollar in USD was C$1.00 = US$0.7849 as reported by the Bank of Canada.

CAUTION REGARDING FORWARD LOOKING STATEMENTS: Information and statements contained in this Management Discussion and Analysis Quarterly Update ("MD&A") that are not historical facts are "forward-looking information" within the meaning of applicable Canadian securities legislation and involve risks and uncertainties. Examples of forward-looking information and statements contained in MD&A include information and statements with respect to:

- Acceleration of payments by Wheaton Precious Metals International Ltd. ("Wheaton Metals") to match third party financing by Panoro targeted for exploration at the Cotabambas Project
- Payment by Wheaton Metals of US$140 million in installments
- Mineral resource estimates and assumptions
- The PEAs on the Cotabambas and Antilla Projects, including, but not limited to, base-case parameters and assumptions, forecasts of net present value, internal rate of return and payback

- Copper concentrate grades from the Antilla and Cotabambas Projects

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. In some instances, material assumptions and factors are presented or discussed in this MD&A in connection with the statements or disclosure containing the forward-looking information and statements. You are cautioned that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to, assumptions concerning: metal prices and by-product credits; cut-off grades; short and long term power prices; processing recovery rates; mine plans and production scheduling; process and infrastructure design and implementation; accuracy of the estimation of operating and capital costs; applicable tax and royalty rates; open-pit design; accuracy of mineral reserve and resource estimates and reserve and resource modeling; reliability of sampling and assay data; representativeness of mineralization; accuracy of metallurgical test work; and amenability of upgrading and blending mineralization.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ materially from those expressed or implied by the forward-looking statements, and are included in all of the Company's documents filed on SEDAR and available on the Company's website. Items referred to in this MD&A may include forward-looking statements related to:

- risks relating to metal price fluctuations;
- risks relating to estimates of mineral resources, production, capital and operating costs, decommissioning or reclamation expenses, proving to be inaccurate;
- the inherent operational risks associated with mining and mineral exploration, development, mine construction and operating activities, many of which are beyond Panoro's control;
- risks relating to Panoro's ability to enforce Panoro's legal rights under permits or licenses or risk that Panoro's will become subject to litigation or arbitration that has an adverse outcome;
- risks relating to Panoro's projects being in Perú, including political, economic and regulatory instability;
- risks relating to the uncertainty of applications to obtain, extend or renew licenses and permits;
- risks relating to potential challenges to Panoro's right to explore and/or develop its projects;
- risks relating to mineral resource estimates being based on interpretations and assumptions which may result in less mineral production under actual circumstances;
- risks relating to Panoro's operations being subject to environmental and remediation requirements, which may increase the cost of doing business and restrict Panoro's operations;
- risks relating to being adversely affected by environmental, safety and regulatory risks, including increased regulatory burdens or delays and changes of law;
- risks relating to inadequate insurance or inability to obtain insurance;
- risks relating to the fact that Panoro's properties are not yet in commercial production;
- risks relating to fluctuations in foreign currency exchange rates, interest rates and tax rates;
- risks relating to Panoro's ability to raise funding to continue its exploration, development and mining activities; and
- Risks related to Covid-19 and the impact on the world's economy.

Qualified Person

The technical information in this MD&A has been reviewed and approved by Mr. Luis Vela, a Qualified Person as defined by National Instrument 43-101, *Standards of Disclosure for Mineral*

Projects ("NI 43-101"). Mr. Vela is responsible for the preparation and/or verification of the technical disclosure in this document unless otherwise noted.

Description of Business

Panoro holds a portfolio of mineral property interests in Perú of which two, the Cotabambas and Antilla projects (see section on Antilla under Subsequent Events), are at an advanced stage of exploration and make up the core concession blocks for the Company.

2021 Activities

During fiscal 2021, the Company:

- announced the sale of 90% of the shares of Antilla Copper S.A. ("Antilla"), a wholly owned subsidiary of the Company, which holds its Antilla Project to Heeney Capital Acquisition Company Inc. ("HCAC"), a mineral exploration and development company, in consideration for advanced payments of up to 13.0% of the Net Present Value of the Antilla Project plus a Net Smelter Returns royalty ("NSR") of 1.0%, in addition to the 2.0% NSR that the Company already owns on the Antilla Project). The payments will be staged, and HCAC will initially earn a 75% interest in Antilla on closing plus an additional 15% interest twelve months after the earlier of drilling permits being obtained or a pre-feasibility or feasibility study being completed on the Antilla Project for a 90% interest.

- .received the twelfth and thirteenth payments of US$750,000 from Wheaton Precious Metals International Ltd. ("Wheaton Metals"), pursuant to the Precious Metals Purchase Agreement ("PMPA"), bringing the total received under the Early Deposit US$11.5 million.

- is pursuing *s*trategic financing alternatives for the Cotabambas Project with other mining companies and financial institutions, in the form of Joint Venture, Equity Investment and/or additional Streaming Agreements.

Project Activities

Antilla

In October 2021, the Company announced the sale of 90% of the shares of Antilla Copper S.A. ("Antilla"), a wholly owned subsidiary of the Company, which holds its Antilla Project to Heeney Capital Acquisition Company Inc. ("HCAC"), a mineral exploration and development company, in consideration for advanced payments of up to 13.0% of the Net Present Value of the Antilla Project plus a Net Smelter Returns royalty ("NSR") of 1.0%, in addition to the 2.0% NSR that the Company already owns on the Antilla Project). The payments will be staged, and HCAC will initially earn a 75% interest in Antilla on closing plus an additional 15% interest twelve months after the earlier of drilling permits being obtained or a pre-feasibility or feasibility study being completed on the Antilla Project for a 90% interest. The scheduled payments are $10.0 million on closing of the transactions, $2.8 million ten months from closing, and $7.0 million twelve months after the earlier of drilling permits being obtained or a pre-feasibility or feasibility study being completed on the Antilla Project.

Additional contingent payments of up to $10.0 million if the Net Present Value at an 8% discount rate of the Antilla Project is above US$310 million, or up to $50.0 million if the study estimates the NPV to be above US$360.0 million. If Panoro's ownership in Antilla is diluted to below 5%, the ownership interest will automatically convert to a1.0% NSR. Heeney has a buyback right for the 1.0% NSR of $4.0 million. The transaction will close on completion of deliverables pursuant to the agreement which are expected to be completed in early December.

In the year ended December 31, 2018 ("fiscal 2018"), the Company completed a Preliminary Economic Assessment, prepared by Moose Mountain Technical Services Ltd. in accordance with the definitions in Canadian National Instrument 43-101. The PEA is based on a Mineral Resource estimate completed by Tetra Tech Inc. ("Tetra Tech") in December 2013, based on 2,919 metres of drilling from legacy campaigns (2003-5), 9,130 metres of drilling by Panoro (2008), and 2,242 metres of drilling during a joint venture agreement with Chancadora Centauro SA in 2010. The Mineral Resource estimate includes primary and supergene sulphides, as well as mixed hypogene and supergene copper mineralization. The PEA is considered preliminary in nature, and was filed on SEDAR on June 26, 2018, and is available on the Company's website

Humamantata

The Humamantata Project is strategically located in Southern Peru, in the vicinity of the Las Bambas Copper Mine (MMG), the Constancia Copper Mine (Hudbay) and other important copper projects such as Haquira (First Quantum), Antilla (Panoro) and Cotabambas (Panoro).

The Company was exploring this project, with its joint venture partner, Japan Oil, Gas and Metals National Corporation ("JOGMEC"), since entering into a joint venture in late fiscal 2018. Subsequent to June 30, 2021, JOGMEC and Panoro agreed to terminate the interim Agreement. Approximately US$2.4 million was invested in the exploration work to date by JOGMEC.

Panoro and JOGMEC worked together to identify very prospective mineralized targets while substantially completing the permitting required to start drilling. Permitting completed at the project includes approval of the environmental permit, water permit and archeological permit. Access agreements with private landowners are also complete. Remaining for completion is a community agreement to advance a drilling program.

The Company retains a 100% interest in the Humamantata Project and will be assessing other joint venture or partnership agreements to continue advancing the exploration programs.

Field activities on the Humamantata Project included:

- Geologic mapping at 1:1,000 scale over an area covering 1,200 hectares of the total 3,600 hectares of concessions comprising the Humamantata Project;

- Collecting 647 samples from surface outcrops over the target areas for geochemical analysis;
- Collecting 68 fresh and mineralized rock samples for Mineralogy and Petrography studies;
- Collecting 130 fresh and mineralized rock samples for a lithogeochemistry study;
- Collecting 496 rock samples by PIMA Spectrometry for a mineral alterations study;
- Completing 53.2 km of ground Induced Polarization geophysical surveys; and
- 80 km of ground Magnetic Resonance surveys.

The exploration program identified four targets:

- Target 1, Cu/Au/Ag porphyry mineralization located to the north of the property; with grades up to 2.69% Cu, 69.5 g/t Ag, 0.82 g/t Au, 374 ppm Mo

- Target 2, Ag Hydrothermal Breccia Mineralization located to the south of Target 1, with grades up to 332 g/t Ag, 0.42 g/t Au, 1,151 ppm Mo

- Target 3, Ag Hydrothermal Breccia and Ag-Cu Stockwork Mineralization in the south property; with grades up to 0.57% Cu, 210 g/t Ag, 0.091 g/t Au, 240 ppm Mo; and

- Target 4. Ag Hydrothermal Breccia and Cu-Au Skarn Mineralization located to the north of Target 2, with grades up to 1.19% Cu, 501 g/t Ag, 0.12 g/t Au, 160 ppm Mo.

Cotabambas

Work at the Cotabambas Project during the first half of fiscal 2021 and to the current date has been maintaining the project area during the COVID-19 pandemic. A Preliminary Economic Assessment ("PEA") at the Cotabambas Project was completed in 2016. Subsequent to the completion of the PEA From 2017 to 2019 exploration at the Cotabambas has focused on areas of potential mineral resource expansion in the areas of Maria Jose, Petra-David and Chaupec. Mapping, sampling, geophysical survey and exploration drilling in these areas has intersected zones of porphyry sulphide and oxide mineralization as well as Skarn-type mineralization. Future exploration plans are being developed for additional drilling in these areas as well as at newly identified areas such as Guaclle. The newly identified areas were the subject of mapping and sampling campaigns during 2018-2019.

Financial

During fiscal 2021, the Company has maintained a positive cash position, while conducting an exploration program at its Humamantata Project.

In fiscal 2021, the Company

- Received the two semi-annual payments of US$750,000 from the Wheaton Metals PMPA, for a total of $1,895,100; and

- Received funding from JOGMEC of $977,893 for the Humamantata joint venture exploration activities, which were managed by Panoro.

Results of Operations

Exploration

During fiscal 2021, the Company expended $1,238,778 on exploration and evaluation expenditures, of which $253,728 was expended on Antilla; $367,142 on Cotabambas, before value added tax recovery of $36,284; and $905,041 was expended on the Humamantata project. Other project costs include reversals of accrued concession fees related to projects written down by the Company.

Exploration and evaluation expenditures are largely made up of salaries and wages of site-based staff, geology, community relations, and casual labour, drilling, assays, and other capitalized costs.

Administration Expenses

The Company's loss in fiscal 2021 of $5,508,419 ($0.02 per common share) compares to a loss of $107,417 ($0.00 per common share) in fiscal 2020. The discussion below is based on a comparison of fiscal 2021 and fiscal 2020.

All office staff in Lima, Peru, are currently working from their homes and most will continue to do so for the next few months. Panoro's staff at the Vancouver headquarters have been able to return to working primarily from the office.

Overall, the change in the Company's expenditures reflects a decrease in exploration and corporate activity in both fiscal periods, due to the suspension of almost all exploration activity during the COVID-19 pandemic.

Areas of significant changes in administration costs between fiscal 2021 and fiscal 2020 include the following:

- The exchange rates between Canada and the United States fiscal 2021 has changed nominally from a rate of $0.7854 at December 31, 2020, to $0.7849 at September 30, 2021.
- An exchange loss in fiscal 2021 of $87,313, compared to an exchange loss of $117,607 in fiscal 2020. The largest impact in fiscal 2021 compared to fiscal 2020 was the change in fair value of the PMPA financial liability which had a change from a decrease in the fair value of $25,050 in fiscal 2021 compared to an increase in the fair value of the PMPA liability of $236,925 in fiscal 2020.
- A decrease in travel costs from $20,535 in fiscal 2020 to $13,016 in fiscal 2021, as there has been no corporate travel due to COVID-19. Travel in fiscal 2020 was incurred in the first quarter. Travel in the last three months of fiscal 2021 is anticipated to increase.
- An increase in corporate development, marketing and shareholder communications' activity from $18,966 in fiscal 2020 to $73,864 in fiscal 2021, as the Company,

transitioned from travel and personal contacts with investors to using webinars and other types of marketing meetings.

- Regulatory and transfer agent fees increase from $60,193 in fiscal 2020 to $80,334 in fiscal 2021 due to the OTCQB listing. In addition to annual regulatory costs during the period, the fiscal 2021 costs included one-time marketing and sponsorship fees incurred in obtaining the OTCQB listing.
- An increase in legal fees from $57,990 in fiscal 2020 to $202,451 in fiscal 2021, due primarily to legal work on Antilla sale transaction.
- The Company has reduced directors' fees, salaries, and other costs on a temporary basis, to assist the Company to continue operations throughout the period of the COVID-19 pandemic and the related impacts on the Company's operations. Directors' fees were reduced from $57,780 in fiscal 2020 to $48,166 in fiscal 2021. Salaries and benefits decreased from $476,924 in fiscal 2020 to $416,881 in fiscal 2021, due to temporary reductions salaries for CEO, CFO and employees in Peru.
- Financial consulting of $356,488 has been recorded, which relates to PMPA with Wheaton Metals transaction.
- Other expense categories in fiscal 2021 remain at relatively the same level as fiscal 2020.
- The Company incurred a write-down of mineral property interests of $4,109,252 during fiscal 2021, with a comparative write-down of $488,556 in fiscal 2020.

Variable costs of the Company's administrative expenses are usually incurred in the legal, travel and corporate development and shareholder relations expense categories, and correspond to corporate initiatives and other strategic activities.

During the nine months ended September 30, 2021, the Company's a lease agreement for the headquarter office space in Vancouver, British Columbia expired, and the Company moved office space, and signed a new lease agreement commencing August 1, 2021, for a period of 6 years.

The Company currently does not have office space in Lima, Peru, as the lease expired in May 2020 shortly after the COVID-19 pandemic started. No new office premises have been leased in Lima, Peru, as all employees work from home or in the field.

Liquidity and capital resources

Liquidity risk is the risk that the Company will not be able to operate in the normal course of business for the next 12 months. The Company is considered to be in the exploration and development stage and is currently exploring mineral properties in Perú. The Company has no history of revenues from operating activities and will have negative cash flow from operations in future periods until commercial production is achieved from its advanced exploration stage projects. The Company has a number of agreements in place which will provide liquidity into the foreseeable future, including:

- the Company's PMPA with Wheaton Metals, whereby the Company has received proceeds of US$11.5 million to the date of this MD&A. An additional US$2.5 million is payable by Wheaton Metals to the Company in semi-annual payments to fiscal 2023;

- the Company's agreement with Hudbay Minerals Inc. ("Hudbay") on the Kusiorcco Project includes milestone payments to the Company of US$2.0 million. The first milestone payment of US$500,000 was received early 2019 as Hudbay advised the Company that they had completed surface rights agreements on the Kusiorcco Project. The agreement calls for three additional payments of US$500,000 each on the completion of drill holes 1, 5 and ten on the project. Currently no drilling has started in the area by Hudbay. As per the agreement Hudbay is to make the full US$1.5 million payment in January 2023.

As at September 30, 2021, the Company has an accumulated deficit of $48,864,855 (December 31, 2020 - $43,356,436), and a working capital deficiency of $11,218,258 (December 31, 2020 – working capital deficiency of $9,499,481), with the inclusion of the current portion of the Wheaton Metals Agreement at September 30, 2021 - ($12,103,950), which is presented as a current liability, and is restated to fair value by the conversion of the liability to Canadian dollars at the period end rate, under IFRS. Without the current portion of the PMPA included in the working capital deficiency noted above, the Company has working capital of $885,692 at September 30, 2021 (December 31, 2020 - $686,119). (Please see note 17(b) of the Condensed Consolidated Interim Financial Statements - Subsequent events)

Based on its financial position at September 30, 2021, the Company believes that it has sufficient funds to meet operational expenditures over the ensuing twelve-month period, providing that payments from Wheaton Metals continue as per the PMPA, and other scheduled payments are forthcoming. The Company continues to review planned investment expenditures, primarily at the Cotabambas Project, but also its overhead expenditures, in order to meet changes in working capital estimates.

Commitments

In the normal course of business, the Company enters into contracts that result in commitments for future payments. The following table summarizes the remaining contractual maturities of the Company's operating and capital commitments: The Company has the following commitments payable:

	2021	2022	2023	2024	2025	Total
Office lease (Vancouver)	$ 25,694	$ 103,658	$ 105,467	$ 107,366	$ 109,264	$ 451,360
Accrued vigencias	602,878	-	-	-	-	602,878
Accounts payable	473,244	-	-	-	-	473,244
Accrued liabilities	441,117	-	-	-	-	441,117

Key management personnel and related parties

Employment contracts have been entered into with each of the President and Chief Executive Officer ("CEO"), the Vice-President Exploration ("VP-Ex"), the Senior Vice-President, South America ("VP-SA") and the Vice-President, Operations ("VP-Op") and the Chief Financial Officer ("CFO"). Key management personnel compensation for the nine months ended September 30, 2021 totalled $655,298 (2020-$841,067). The Company had no transactions between directors and officers and/or companies controlled by directors or officers in common with the Company. At September 30, 2021, $5,250 was payable to officers of the Company for expenses incurred on behalf of the Company and $15,708 (2020 - $23,333) was payable to two directors for directors' fees.

Subsequent Events

Antilla Transaction

In October 2021, the Company announced the sale of 90% of the shares of Antilla Copper S.A. ("Antilla"), a wholly owned subsidiary of the Company, which holds its Antilla Project to Heeney Capital Acquisition Company Inc. ("HCAC"), a mineral exploration and development company, in consideration for advanced payments of up to 13.0% of the Net Present Value of the Antilla Project plus a Net Smelter Returns royalty ("NSR") of 1.0%, in addition to the 2.0% NSR that the Company already owns on the Antilla Project). The payments will be staged, and HCAC will initially earn a 75% interest in Antilla on closing plus an additional 15% interest twelve months after the earlier of drilling permits being obtained or a pre-feasibility or feasibility study being completed on the Antilla Project for a 90% interest. The scheduled payments are $10.0 million on closing of the transactions, $2.8 million ten months from closing, and $7.0 million twelve months after the earlier of drilling permits being obtained or a pre-feasibility or feasibility study being completed on the Antilla Project.

Additional contingent payments of up to $10.0 million if the Net Present Value at an 8% discount rate of the Antilla Project is above US$310 million, or up to $50.0 million if the study estimates the NPV to be above US$360.0 million. If Panoro's ownership in Antilla is diluted to below 5%, the ownership interest will automatically convert to a1.0% NSR. Heeney has a buyback right for the 1.0% NSR of $4.0 million.

Cochasayhuas Project

In June 2020, the Company announce that it had completed the sale of the Cochasayhuas Gold Project to Mintania S.A.C. ("Mintania") of Peru for a total of US$ 2.45 million to be paid in instalments plus a 5% Net Smelter Return royalty (NSR) for 15 years from the commencement of commercial production. The Company received the first payment of US$450,000 on closing and was to receive additional payments in 2021 to 2023. In November 2021, Mintania advised the Company that they could not make the payments for 2021 and would be returning the project to the Company. A termination agreement was signed and filed, and the project has been returned to the Company's subsidiary, Panoro Gold, S.A. Please see Note 17 (b) to the Condensed Consolidated Interim Financial Statements.