

TINKA RESOURCES LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE NINE MONTHS ENDED JUNE 30, 2015

This discussion and analysis of financial position and results of operation is prepared as at August 28, 2015 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the nine months ended June 30, 2015 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; 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 management information circular, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties.

Company Overview

The Company is a junior mineral exploration company is currently engaged in the acquisition and exploration of precious and base metals on mineral properties located in Peru with the aim of developing them to a stage where they can be exploited at a profit or to arrange joint ventures whereby other companies provide funding for development and exploitation. 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" and on the Frankfurt Exchange under the symbol "TLD".

On July 24, 2014 the Company completed a plan of arrangement (the “Arrangement”) and acquired all of the issued and outstanding common shares of Darwin Resources Corp. (“Darwin”), under which the Company issued 6,131,094 common shares. As part of the Arrangement, the Company agreed to undertake a private placement of 28,834,491 units of the Company at a price of \$0.275 per unit for gross proceeds of \$7,929,485. On May 1, 2014 the Company completed the first tranche of the private placement and issued 1,818,182 units to Sentient Global Resources Fund IV, LP (“Sentient”) for \$500,000. Concurrently with the closing of the Arrangement, the Company completed the second tranche of the Private Placement financing under which the Company issued a further 27,016,309 units for \$7,429,485, of which Sentient purchased a further 19,512,727 units.

In May 2015 the Company completed a private placement financing consisting of 33,737,093 units at a price of \$0.215 per unit for \$7,253,475. International Finance Corporation (“IFC”), a member of the World Bank Group, participated in the private placement for a total of 20,930,232 units for \$4,500,000. Upon closing of the private placement, IFC became an insider of the Company holding approximately 14.0% of the issued and outstanding share capital of the Company on an undiluted basis. In addition, Sentient participated in the private placement for 9,302,326 units for \$2,000,000. The Company issued 47,500 finder’s units, based on 5% of the portion of the private placement purchased by arms-length parties, at an ascribed value of \$10,213.

IFC’s participation in the private placement was subject to the completion of due diligence and certain conditions, including a requirement that the Company meet IFC’s environmental, social and safety standards on an ongoing basis. Accordingly, on May 20, 2015 the Company officially adopted a comprehensive Health, Safety, Environment, Labour and Community policy (“the HSEC Policy”) and ensured that the HSEC Policy was made known to all its managers, staff, contractors, and partners, and that it will be proactively implemented, reviewed, and updated.

The proceeds from the private placements are to be used for conducting exploration and resource development work on the Ayawilca and Colquipucro projects and for general working capital purposes.

Exploration Projects, Peru

As of the date of this MD&A, Tinka owns 53 mining concessions covering 12,340 hectares at the Company’s flagship Ayawilca zinc and Colquipucro silver projects in central Peru. In addition, Tinka has 4 mining concessions covering 3,100 hectares elsewhere in Peru.

The Ayawilca zinc and Colquipucro silver projects are located within the Districts of Yanahuanca and San Pedro de Pillao, Province of Daniel Alcides Carrion, Department of Pasco 200 kilometres northeast of Lima. The projects are at elevations of between 3,800 and 4,360 metres, 40 kilometres northwest of the world-class Cerro de Pasco zinc-lead-silver mine.

Ayawilca Zinc Project

Inferred Mineral Resource Estimate

In February 2015 the Company announced an initial Mineral Resource estimate for its 100%-owned Ayawilca zinc (Zn) - indium (In) - silver (Ag) - lead (Pb) deposit ([see News Release dated February 26 2015](#)). The Inferred Mineral Resource at Ayawilca occurs in three separate structures (West, Central, and East), all of which remain open. The Mineral Resources were estimated by Roscoe Postle Associates (“RPA”) of Toronto, Canada. Highlights of the resources are:

- Inferred Mineral Resource of 13.3 million tonnes grading 7.7 % zinc equivalent, containing;
 - 1.7 billion pounds of Zn;
 - 909,000 kilograms of In;
 - 5.8 million ounces of Ag; and
 - 55 million pounds of Pb.

Mineral Resources at Ayawilca are reported on the basis of a possible underground mining scenario at a cut-off NSR value of US \$60/t (Table 1) using the drill results available to February 23, 2015. No Mineral Reserves have yet been estimated at Ayawilca.

Table 1. Inferred Mineral Resources at Ayawilca as of February 23, 2015

Zone	Tonnage (Mt)	Zn (%)	Zn Eq. (%)	Pb (%)	In (g/t)	Ag (g/t)	Zn (Mlb)	Pb (Mlb)	In (kg)	Ag (Moz)
West	5.7	6.7	8.9	0.2	81	15	846	22	459,000	2.7
Central	2.2	5.0	6.8	0.1	73	7	248	3	163,000	0.5
East	5.4	5.3	6.8	0.3	53	15	625	31	287,000	2.6
Total	13.3	5.9	7.7	0.2	68	14	1,719	55	909,000	5.8

Notes:

1. CIM definitions were followed for Mineral Resources.
2. Mineral Resources are reported above an NSR cut-off value of US \$60 per tonne.
3. 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 \$1.20/lb Zn, US \$550/kg In, US \$24.00/oz Ag, and US \$1.10/lb Pb. Metal recovery assumptions were: 90% Zn, 75% In, 50% Ag, and 75% Pb. The NSR value for each block was calculated using the following NSR factors: US \$15.24 per % Zn, US \$5.57 per % Pb, US \$0.33 per gram In, and US \$0.34 per gram Ag.
4. The zinc equivalent (Zn Eq.%) value was calculated using the following formula:

$$\text{Zn Eq.(\%)} = [\text{Zn(\%)} * \text{US } \$15.24 + \text{Pb(\%)} * \text{US } \$5.57 + \text{In(g/t)} * \text{US } \$0.33 + \text{Ag (g/t)} * \text{US } \$0.34] / \text{US } \$15.24$$
5. Numbers may not add due to rounding.

The drill database includes 18,634 metres in 43 drill holes. A set of cross-sections and level plans were interpreted to construct three-dimensional wireframe models at an NSR cut-off value of US \$60/t. Prior to compositing to two metre lengths, high Zn, In, and Ag values were cut to 25%, 500 g/t, and 100 g/t, respectively. Block model grades within the wireframe models were interpolated by inverse distance cubed. Density was estimated to be 3.55 t/m³ using 21 density measurements located within the wireframe models.

Geology of the Zinc Resource

Zinc mineralization occurs in brecciated limestone as stacked, flat-lying replacement “mantos” typically 20 to 50 metres thick, associated with semi-massive to massive sulphides consisting of pyrite, pyrrhotite and sphalerite with minor to trace, galena, chalcopyrite and arsenopyrite. Magnetite and manganese oxides are common around the sulphide zones, replacing the limestone along irregular bedding planes and fractures. Steep-dipping mineralized structures (mostly veinlets) are also observed in drill core and are believed to be the feeders of the mineralization - these structures have not been included in the resource modelling.

At least three phases of sphalerite are recognized; a dark iron-rich sphalerite (most abundant), a red sphalerite (occurs commonly with magnetite), and a light coloured (brown-yellow) sphalerite which may be accompanied by galena. The ratio of galena:sphalerite is typically low (~1:30). Sulphides, dominated by pyrite and pyrrhotite, replace the matrix and clasts of the host sediments and pre-existing magnetite accompanied by siderite, clays, and chlorite. Indium is believed to occur within the mineral lattice of the dark iron-rich sphalerite.

Drill Results

Up to December 31, 2014, Tinka has drilled 18,756 metres in 54 diamond drill holes at Ayawilca. The full suite of zinc (indium-silver-lead) drill intersections were released on [February 23, 2015](#) from West, Central, and East Ayawilca (Table 2). It is believed that the current Mineral Resource zones are part of a large mineralized system which extends beyond the limits of the current drilling area.

Some key zinc drill intersections include:

- A13-05 (West Ayawilca): 212.9 metres at 5.3 % zinc & 83 grams per tonne (g/t) indium from 130.3 metres depth, including 16.0 metres at 18.1 % zinc & 120 g/t indium from 150.0 metres depth, and 10.0 metres at 12.9 % zinc & 670 g/t indium from 316.0 metres depth;
- A12-08 (Central Ayawilca): 36.5 metres at 6.5 % zinc & 63 g/t indium from 162.0 metres depth, and 38.0 metres at 4.6 % zinc & 117 g/t indium from 266.0 metres depth;
- A14-18 (East Ayawilca): 28.8 metres at 5.6 % zinc & 27 g/t indium from 331.2 metres depth, and 36.9 metres at 5.6 % zinc & 14 g/t indium from 375.1 metres depth;

Zinc (lead-silver-indium) intercepts for all drill holes are provided in Table 2, using a 1% Zn cut off over 6 metre intervals. The zinc mineralization is interpreted to be generally gently-dipping, replacing favourable sedimentary units. The true widths of the intercepts are believed to be at least 75% of the down-hole widths.

Table 2. Summary of Significant Zinc (Indium-Silver-Lead) Drill Intersections

Drill Hole	From (m)	To (m)	Interval (m)	Zn (%)	Pb (%)	Ag (g/t)	In (g/t)	Ayawilca Prospect / Comment
A13-05	130.30	343.20	212.90	5.34	0.17	15	83	<i>West</i>
<i>including</i>	130.30	179.50	49.20	10.07	0.55	32	51	
<i>including</i>	150.00	166.00	16.00	18.14	0.05	39	120	
<i>and</i>	316.00	326.00	10.00	12.93	0.02	42	670	
A14-22	170.00	318.50	148.50	4.33	0.36	15	55	<i>West</i>
<i>including</i>	211.20	244.00	32.80	7.44	0.02	10	66	
<i>including</i>	228.00	233.75	5.75	16.76	0.02	24	170	
<i>and</i>	283.50	314.50	31.00	6.31	0.39	13	101	
<i>including</i>	293.90	295.90	2.00	28.94	5.84	139	606	
A12-08	162.00	232.00	70.00	4.77	0.16	5	33	<i>Central</i>
<i>including</i>	170.00	174.00	4.00	11.66	0.03	9		
<i>and</i>	195.50	232.00	36.50	6.51	0.02	5	63	
<i>including</i>	195.50	214.50	19.00	9.02	0.02	6	74	
<i>and</i>	266.00	304.00	38.00	4.61	0.02	7	117	<i>No recovery 304-314.1 m</i>
A14-19	184.00	328.90	144.90	3.88	0.03	7	36	<i>West</i>
<i>including</i>	250.00	268.00	18.00	7.11	0.01	11	27	
A13-06	170.00	196.00	26.00	2.20	0.05	5	11	<i>West</i>
<i>and</i>	210.00	322.00	112.00	3.71	0.04	6	33	
<i>including</i>	262.00	322.00	60.00	4.67	0.07	7	44	
<i>including</i>	264.65	278.00	13.35	8.42	0.20	14	25	
<i>and</i>	312.00	322.00	10.00	7.85	0.07	7	64	
A14-18	331.20	360.00	28.80	5.62	0.17	10	27	<i>East</i>
<i>including</i>	342.50	350.00	7.50	8.75	0.30	20	60	
<i>and</i>	375.10	412.00	36.90	5.62	0.41	9	14	
A14-33	92.00	95.40	3.40	4.99	0.23	27	6	<i>West</i>
<i>and</i>	114.00	120.00	6.00	1.14	0.06	19	1	
<i>and</i>	131.50	136.00	4.50	2.49	0.28	33	1	
<i>and</i>	184.00	206.00	22.00	1.62	1.04	22		
<i>and</i>	268.00	345.10	77.10	4.02	0.03	4	22	
<i>including</i>	270.90	279.70	8.80	13.49	0.13	11	8	
A14-20	164.00	166.20	2.20	20.96	0.11	80	11	<i>West</i>
<i>and</i>	179.85	214.00	34.15	5.27	0.25	22	26	
<i>including</i>	179.85	191.80	11.95	10.52	0.40	23	75	
<i>including</i>	179.85	184.00	4.15	24.80	1.00	58	205	
<i>and</i>	242.00	250.00	8.00	2.23	1.28	181		
<i>and</i>	268.00	310.00	42.00	4.26	0.08	25	2	
<i>including</i>	299.80	301.00	1.20	18.64	0.14	52	30	
A14-26	207.50	230.00	22.50	2.82	2.04	61	1	<i>West</i>
<i>and</i>	260.00	303.80	43.80	5.38	0.16	13	86	
<i>including</i>	292.00	303.80	11.80	13.89	0.04	22	315	
A13-04	181.85	220.85	39.00	3.69	0.06	4	44	<i>Central</i>
<i>and</i>	266.00	332.00	66.00	2.28	0.11	4	28	
A13-02	236.00	328.00	92.00	2.90	0.10	5	36	<i>Central</i>
A14-32	203.30	218.00	14.70	3.23	0.69	18	3	<i>West</i>
<i>and</i>	230.00	269.20	39.20	2.19	0.01	3	10	
A14-24	247.35	257.60	10.25	1.50	0.08	35	22	<i>East</i>
<i>and</i>	267.00	272.20	5.2	3.95	0.01	6	158	
<i>and</i>	306.80	308.00	1.20	10.43	0.12	19	221	
<i>and</i>	319.50	366.00	46.50	3.97	0.36	30	88	

Drill Hole	From (m)	To (m)	Interval (m)	Zn (%)	Pb (%)	Ag (g/t)	In (g/t)	Ayawilca Prospect / Comment
and	389.40	397.10	7.70	5.14	0.61	31	57	
and	448.00	450.00	2.00	0.50	0.24	151	30	
DD53	226.00	280.00	54.00	3.50	0.12	8	49	<i>West</i>
and	292.00	315.10	23.10	2.54	0.03	2	19	
A14-29	203.30	204.60	1.30	12.88	0.10	13	130	<i>East</i>
and	321.40	329.80	8.40	5.86	0.06	7	12	
and	338.00	354.00	16.00	3.03	0.04	3	22	
and	400.00	442.00	42.00	3.25	0.28	15	12	
<i>including</i>	<i>400.00</i>	<i>412.00</i>	<i>12.00</i>	<i>7.03</i>	<i>0.02</i>	<i>4</i>	<i>10</i>	
A14-31	98.00	104.00	6.00	5.20	0.34	45	43	<i>East</i>
and	200.00	212.00	12.00	5.16	1.81	97	100	
and	310.00	315.00	5.00	3.35	0.23	11	25	
and	322.10	325.50	3.40	14.82	0.27	10	14	
and	411.20	414.20	3.00	3.34	0.22	7	10	
A12-04A	260.00	280.00	20.00	7.12	0.02	9	127	<i>West</i>
<i>including</i>	<i>266.00</i>	<i>278.00</i>	<i>12.00</i>	<i>10.51</i>	<i>0.03</i>	<i>14</i>	<i>200</i>	
DD71	196.00	200.00	4.00	30.90	0.32	63	3	<i>West</i>
A14-21	164.00	183.60	19.60	5.67	0.02	8	81	<i>East</i>
<i>including</i>	<i>166.00</i>	<i>172.00</i>	<i>6.00</i>	<i>10.15</i>	<i>0.04</i>	<i>14</i>	<i>153</i>	
A14-23	49.00	49.50	0.50	18.30	0.39	34	NA	<i>West</i>
and	270.00	278.00	8.00	2.95	0.24	16	40	
and	288.00	308.00	20.00	3.61	0.02	3	34	
DD52B	272.00	288.00	16.00	6.00	0.12	8	54	<i>West. Includes 2m no recovery</i>
A12-09	216.00	245.50	29.50	3.21	0.12	6	58	<i>Central</i>
A13-01	224.00	236.00	12.00	5.84	0.01	5	157	<i>Central</i>
A14-27	176.00	183.10	7.10	5.04	0.04	14		<i>Central</i>
<i>including</i>	<i>179.00</i>	<i>179.50</i>	<i>0.50</i>	<i>31.62</i>	<i>0.05</i>	<i>27</i>		
and	338.50	348.00	9.50	4.14	0.12	6	38	
A14-25	228.00	249.50	21.50	1.85	0.28	10	NA	<i>West. No recovery 249.5-251.3 m</i>
and	306.00	320.00	14.00	1.33	0.27	8	NA	
A13-03	165.30	174.00	8.70	4.31	0.57	11	10	<i>Central</i>
A13-07	75.80	76.90	1.10	30.00	0.06	54	187	<i>West</i>
A13-12A	250	268	18.00	3.84	0.03	5	56	<i>Central</i>
and	280.00	292.00	12.00	4.22	0.24	16	17	
A13-15	329.20	344.00	14.80	4.80	0.01	5	101	<i>Central</i>
A13-16	370.00	394.00	24.00	2.80	0.01	2	110	<i>East</i>
A13-17	372.10	396.00	23.90	2.90	0.18	18	22	<i>East</i>
DD70	100.00	104.00	4.00	10.45	0.04	59	14	<i>West</i>
and	156.00	170.00	14.00	4.18	0.07	12	2	
CDD46	274.00	282.90	8.90	1.56	0.25	9	17	
A14-30	166.00	178.40	12.40	1.24	0.64	65	2	<i>West</i>
and	236.00	248.00	12.00	1.00	0.98	61		
and	264.00	266.00	2.00	6.01	2.75	212		

Notes:

- Zn = zinc; Pb = lead; Ag = silver; In = indium; and NA = no assays available
- Down-hole intersections were calculated using a 1% zinc cut-off grade over 6 metre intervals.
- The above zinc drill intercepts, including drill hole collar information, were released on [February 10, 2015](#).
- Zones of no recovery are due to highly broken or fault zones.

Tin - Copper Mineralization at Ayawilca

Tinka announced significant tin-copper mineralization in several drill holes on [February 10, 2015](#). The tin mineralization was discovered in the Central, East, and North Ayawilca areas following the re-assaying of nine 2012-2013 drill holes and the drilling of three holes in 2014. The tin-copper mineralization generally occurs beneath, and subjacent to, the zinc sulphide mineralization. No Mineral Resource estimates have yet been made for the tin-copper mineralization. The tin-copper footprint at Ayawilca, defined by drilling, now covers 1 kilometre by

0.5 kilometres, trending northeast, and remains open. Tin-copper mineralization occurs within flat-lying sulphide (pyrrhotite) lenses replacing limestone and in quartz veinlet 'stockworks' in metamorphic phyllite basement rocks, and is predominantly in the form of cassiterite (a tin oxide). Minor stannite and herzenbergite (tin sulphides) have also been recognized.

Significant tin-copper drill results include:

- A14-27: 30.0 metres at 0.15 % tin and 0.28 % copper from 354.0 metres depth;
- A14-28: 62.7 metres at 0.26 % tin, 0.17 % copper and 0.5 % zinc from 452.0 metres depth;
- CDD46: 10.5 metres at 0.82 % tin and 0.10 % copper from 252.0 metres depth;
- A13-11: 16.2 metres at 1.03% tin and 0.67% copper from 328.0 metres depth (hole stopped in mineralization at 344.2 metres) including 2.0 metres at 4.8% tin and 2.1% copper from 330 metres;
- A13-12A: 30.8 metres at 0.54% tin and 0.17% copper from 326 metres depth, including 2.0 metres at 2.5% tin and 0.2% copper from 326 metres depth (hole stopped in mineralization at 356.8 metres);
- A13-01: 76.0 metres at 0.21 % tin and 0.36% copper from 276 metres depth, including 8 metres at 0.94% tin and 0.43% copper.

Gravity Survey

In December 2014, the Company completed a gravity survey covering 12 km² at the Ayawilca - Colquipucro projects over a north-south strike length of approximately 5 km. Data points were collected on a 200 x 200 metre grid, with the main anomalies covered by a 100 x 100 metre grid. A large gravity anomaly was identified (+5mgal), covering an area of approximately 3 km² coinciding with and extending beyond the footprint of the magnetic anomalies. The gravity anomaly is believed to be caused in part by semi-massive to massive sulphide accumulations.

During July 2015, the gravity survey was extended a further 5 km of strike to cover a total area of approximately 25 km². The aim is to identify additional sulphide targets outside of the immediate Ayawilca - Colquipucro project areas. This newly acquired data is currently being interpreted.

IP Geophysics

During the quarter Tinka carried out an extensive IP geophysical survey covering 9 km² of prospective ground at Ayawilca - Colquipucro, with the data modelled from surface to a maximum depth of 500 metres below surface*. Results show a number of strong, coherent chargeability anomalies in the depth range of 150 to 450+ metres, interpreted as zones of disseminated sulphides believed to be highly prospective for zinc. Many of these IP anomalies occur beyond the extents of the Inferred Mineral ZnEq Resource. The most significant IP chargeability anomaly, covering approximately 1 km² at Chaucha, is open to the north, is coincident with a zinc-in-soil anomaly, and has had no previous drilling.

* A conventional pole-dipole IP survey was carried out on eleven 300 metre-spaced lines each orientated 060 degrees azimuth, using electrode spacing of 120 metres. The data was modelled with a high degree of confidence from surface to maximum depths of between 400 and 500 metres.

Current Drill Program

On July 28, 2015, Tinka announced the commencement of a 10,000 metre drill program at Ayawilca with a focus on drill testing extensions of the Inferred Mineral Resource at East, Central and West Ayawilca as well as testing new targets. Up to 24 step-out holes are planned with two rigs drilling concurrently. The program is expected to take around 4 months to complete, with results to be released once assays become available and interpreted. The drill program will commence at East Ayawilca where zinc mineralization is open in all directions. East Ayawilca has zinc intercepts which were not included in the resource calculation due to the sparsity of past drilling (including 19.6 metres at 5.7% zinc and 81 g/t indium from 164 metres depth: hole A14-21). Drill holes are also planned at West and Central Ayawilca where zinc mineralization is open in two directions along strike and where tin-copper mineralization was discovered at depth.

New Permits

The Company is requesting an extension of the drill permits at the Colquipucro project to allow prospective zinc sulphide areas to be drill tested, including Chaucha, North Ayawilca, and Zone 3. A new access agreement has been

negotiated and agreed with the Pillao community to allow the Company access to several untested target areas within than community. The documentation required for the new permits is in preparation, and will be submitted to the authorities during the next quarter. The Company expects the extended permit to be granted in early 2016.

Readers are encouraged to read the entire technical report entitled “Technical Report on the Mineral Resource Estimate for the Ayawilca-Colquipucro Property, Department of Pasco, Peru”, dated March 25, 2015 which can be found under the Company’s profile on SEDAR at <http://www.sedar.com> or on the Company’s website at <http://www.tinkaresources.com>

Colquipucro Silver Project

Colquipucro is a near-surface, sandstone-hosted, silver oxide project just 2 kilometres north of Ayawilca.

Mineral Resource Estimate

In February 2015 the Company announced an updated Mineral Resource estimate at Colquipucro ([see PR February 26 2015](#)). Mineral Resources are reported within a preliminary pit shell generated in Whittle software at a cut-off of 15 g/t Ag. Indicated Mineral Resources are estimated to total 7.4 million tonnes at an average grade of 60 g/t Ag containing 14.3 million ounces of Ag (Table 3). Inferred Mineral Resources are estimated to total 8.5 million tonnes at an average grade of 48 g/t Ag containing 13.2 million ounces of Ag. A small amount of mineralization was not captured by the Whittle shell.

Mineral Resources are contained within ten north-dipping high grade zones, a gently dipping basal zone, and a low grade halo that encompasses all high grade zones. Overall, the mineral resource covers a region 550 metres in the north-south direction by 380 metres in the east-west direction by about 75 metres thick. The deposit is located on a topographic high and ranges between 4,160 and 4,360 metres elevation. No mineral reserves have yet been estimated at Colquipucro.

Table 3. Mineral Resources at Colquipucro as of February 23, 2015

Classification	Tonnage (Mt)	Ag (g/t)	Ag (Moz)
Indicated	7.4	60	14.3
Inferred	8.5	48	13.2

Notes:

1. CIM definitions were followed for mineral resources.
2. Mineral resources are reported within a preliminary pit-shell and above a cut-off grade of 15 g/t Ag.
3. The cut-off grade is based on a price of US \$24 per ounce silver.
4. Numbers may not add due to rounding.

The drill database includes 8,003 m in 45 drill holes. A set of cross-sections and level plans were interpreted to construct three-dimensional wireframe models at a cut-off grade of 60 g/t Ag for the high grade zones and 15 g/t Ag for the low grade halo mineralization. Prior to compositing to two metre lengths, high Ag values were cut to 360 g/t Ag in the high grade lenses, and 120 g/t Ag in the low grade halo domain. Block model grades within the wireframe models were interpolated by inverse distance cubed. Density values were estimated from 41 measurements to be 2.48 t/m³. Classification into the Indicated and Inferred categories was guided by the drill hole spacing and the continuity of the mineralized zones.

Drill Results

Tinka has completed 8,003 metres in 45 holes of diamond drilling at Colquipucro in several programs. Results of the most recent drill program of 1,578 metres in ten holes were released on [January 15, 2015](#). Seven holes (CDD39 to CDD45) intersected near-surface, oxidized, silver mineralization over substantial thicknesses. Three other holes (CDD36 - CDD38) were step-out holes testing the extension of mineralization to the northwest with one hole intersecting significant grade. Table 4 summarizes all of Tinka’s drill intersections at Colquipucro, using a 15 g/t silver cut-off over 6 metre intervals.

The silver mineralization is hosted by oxidized quartz sandstones (Goyllar Group) dipping gently to the southwest. The oxide mineralization occurs in fractured rocks with iron oxides (goethite, jarosite, hematite) after primary sulphides with or without manganese oxide. Relict sulphides are rare, with galena being observed on occasion. Mineralization appears to be enriched at the lower contact of the sandstone with limestone, and in east-west trending fracture zones which dip at moderate angles (30 to 60 degrees) to the north. Beneath the sandstone lies an altered limestone unit approximately 150 metres thick. The limestone hosts minor zinc mineralization at Colquipucro (oxidized or transitional). The true widths of the drill intercepts are between 60% and 100% of the reported down-hole widths.

Table 4. Summary of Significant Silver Oxide Drill Intersections at Colquipucro

Drill Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Comment
CDD45	4.0	140.0	136.0	75	2.7m no recovery in 4 intervals
<i>including</i>	40.0	54.0	14.0	211	
CDD44	6.0	80.0	74.0	54	
and	90.0	150.0	60.0	92	
<i>including</i>	118.0	128.1	10.1	264	
<i>including</i>	136.0	140.0	4.0	383	
CDD43	26.0	32.0	6.0	40	
and	62.0	72.0	10.0	30	
and	86.0	94.0	8.0	34	
and	104.0	142.9	38.9	200	6.9m no recovery in 3 intervals
<i>including</i>	120.7	131.7	11.0	605	
CDD42	20.0	96.0	76.0	61	
<i>including</i>	58.0	66.0	8.0	177	
CDD41	6.0	92.0	86.0	90	7.1m no recovery in 3 intervals
<i>including</i>	18.0	44.0	26.0	119	
<i>including</i>	66.0	78.0	12.0	198	0.8m no recovery in 1 interval
CDD40	1.2	90.0	88.8	50	
and	154.0	216.0	62.0	51	
<i>including</i>	202.0	208.0	6.0	169	
CDD39	10.0	16.0	6.0	47	
and	36.0	84.0	48.0	25	1.5m no recovery in 1 interval
and	94.0	134.5	40.5	140	
<i>including</i>	102.0	106.0	4.0	699	
CDD37	22.0	28.0	6.0	105	
CDD34	74.0	112.3	38.3	56	0.8m no recovery in 1 interval
CDD33	28.0	54.0	26.0	37	
CDD31	2.0	70.5	68.5	55	
CDD30	2.0	106.0	104.0	96	1.8m no recovery in 1 interval
<i>including</i>	58.0	70.0	12.0	156	
<i>including</i>	92.0	106.0	14.0	201	
CDD29	2.0	124.0	122.0	76	3.8m no recovery in 2 intervals
<i>including</i>	44.0	68.0	24.0	123	
<i>including</i>	106.0	120.0	14.0	189	0.4m no recovery in 1 interval
and	158.0	180.0	22.0	23	3.9m no recovery in 2 intervals
CDD28	22.0	132.0	108.0	57	3.6m no recovery in 2 intervals
<i>including</i>	128.0	132.0	4.0	521	
CDD27	94.0	136.7	42.7	96	
<i>including</i>	118.0	126.0	8.0	298	
CDD26	24.0	32.5	8.5	206	
and	84.0	162.0	78.0	38	
CDD25	6.0	52.0	46.0	35	
and	70.0	114.0	44.0	36	

Drill Hole	From (m)	To (m)	Interval (m)	Silver (g/t)	Comment
CDD24	30.0	62.0	32.0	48	
CDD23	12.0	92.0	80.0	105	
<i>including</i>	20.0	30.0	10.0	199	
<i>including</i>	38.0	52.0	14.0	179	
<i>including</i>	82.0	86.0	4.0	306	
CDD22	12.0	98.0	86.0	80	1.5m no recovery in 1 interval
<i>including</i>	14.0	28.0	14.0	132	
<i>including</i>	89.6	96.0	6.4	214	
CDD21	14.0	108.0	94.0	91	1.3m no recovery in 1 interval
<i>including</i>	66.0	78.0	12.0	125	
CDD20	22.0	88.0	66.0	30	10.4m no recovery in 2 workings
CDD19	16.0	68.0	52.0	128	
<i>including</i>	56.0	64.0	8.0	425	
CDD18	100.0	124.5	24.5	23	0.5m no recovery in 1 interval
CDD16	50.0	68.0	18.0	37	
and	85.0	98.0	13.0	102	
and	118.0	146.0	28.0	25	3.4m no recovery in 2 intervals
CDD14	22.0	32.0	10.0	66	
and	18.0	88.0	70.0	123	
<i>including</i>	50.0	62.0	12.0	240	
and	104.0	118.0	14.0	87	
CDD12	20.0	62.0	42.0	31	
and	70.0	92.0	22.0	71	
<i>including</i>	84.0	90.0	6.0	157	
CDD11	0.0	80.0	80.0	65	
<i>including</i>	2.0	8.0	6.0	221	
and	88.0	146.0	58.0	123	
<i>including</i>	138.0	146.0	8.0	551	
CDD10	120.0	142.0	22.0	31	
CDD9	42.0	66.0	24.0	39	
CDD7	80.0	88.0	8.0	113	
CDD6	0.0	66.0	66.0	83	
<i>including</i>	0.0	8.0	8.0	103	
<i>including</i>	28.0	52.0	24.0	129	
and	116.0	120.0	4.0	212	
CDD4	0.0	54.0	54.0	67	
<i>including</i>	14.0	26.0	12.0	176	
and	96.0	128.0	32.0	265	
<i>including</i>	122.0	128.0	6.0	1003	
CDD3	0.0	32.0	32.0	65	
<i>including</i>	2.0	4.0	2.0	486	
and	146.0	148.0	2.0	664	
and	162.0	186.0	24.0	80	
CDD2	62.0	98.0	36.0	55	
CDD1	0.0	34.0	34.0	55	
<i>including</i>	0.0	4.0	4.0	154	
and	66.0	106.0	40.0	35	

Disclaimer: Non-recovered intervals have been assumed to contain zero grade. NSR = No significant result.

Upcoming Exploration

Detailed metallurgical test work of the silver oxide mineralization is currently being undertaken. This work will determine the likely recoveries of any future silver leach operation. Management is continuing to assess options to advance this project.

Readers are encouraged to read the entire technical report entitled “Technical Report on the Mineral Resource Estimate for the Ayawilca-Colquipucro Property, Department of Pasco, Peru”, dated March 25, 2015 which can be found under the Company’s profile on SEDAR at <http://www.sedar.com> or on the Company’s website at <http://www.tinkaresources.com>

Other Projects in Peru

Rurimarac

The Rurimarac gold project, located in the Department of Ancash in central Peru, is located 35 km from Barrick’s Pierina gold mine (10 Moz). The property consists of two 100%-owned Tinka mining concessions for 2,000 ha. Mariana Resources Limited has recently terminated the option agreement on the Rurimarac properties with no drilling completed.

The principal target at Rurimarac lies beneath an outcropping zone of oxide gold mineralization at the contact between siltstone and diorite exposed for almost 1km. Previous sampling in 65 pit and trench samples up to 1 metre deep ranged in grade from 0.1 g/t to 39 g/t gold, with an average grade of 5.1 g/t gold. A single past drill hole which tested the main geochemical target intersected 6 metres @ 3.3g/t gold from 60 metres depth in oxidized rocks.

Tinka is continuing to review options to move this project forward.

Parihuana

The Company has a 50% joint-venture interest with Duran Ventures Inc. on the Parihuana properties in the Department of Ayacucho 350 km southeast of Lima. The property covers 1,500 hectares of mining concessions. A number of small artisanal mine workings are known. A ground magnetic survey was completed in Q4 2014. This was followed up with surface sampling and mapping in Q1 2015, which identified copper-bearing skarn in limited outcrop surrounding an intrusive rock. The data on these properties is under revision.

Esqueleto

Esqueleto consisting of 1,000 ha, is located a few kilometres from the Los Calatos porphyry copper-molybdenum project in the Department of Moquegua, southern Peru. Los Calatos has a Measured and Indicated Mineral Resource estimate from surface to 700 metres depth of 413 M tonnes at 0.37% copper and 0.026 % molybdenum (Metminco website, 2015).

No known mineralization is known on the Esqueleto property, however it occurs along a well-known porphyry trend and may have prospectivity underneath shallow volcanic cover rocks.

Qualified Person

The qualified person for the Company’s projects, Dr. Graham Carman (FAUSIMM), President and CEO of the Company, has reviewed and approved the technical information in this MD&A.

Selected Financial Data

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

	Fiscal 2015			Fiscal 2014			Fiscal 2013	
	Jun. 30 2015 \$	Mar. 31 2015 \$	Dec. 31 2014 \$	Sept. 30 2014 \$	Jun. 30 2014 \$	Mar. 31 2014 \$	Dec. 31 2013 \$	Sept. 30 2013 \$
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Expenses	(821,367)	(365,039)	(415,041)	(1,275,698)	(265,424)	(280,652)	(293,080)	(279,605)
Other items	(5,172)	99,574	45,708	(1,744,396)	(6,734)	28,890	32,123	(43,498)
Net loss and comprehensive loss	(826,539)	(265,465)	(369,333)	(3,020,094)	(272,158)	(251,762)	(260,957)	(323,103)
Loss per share -basic and diluted	(0.01)	(0.00)	(0.00)	(0.04)	(0.00)	(0.00)	(0.00)	(0.02)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital (deficiency)	8,807,814	2,500,327	3,313,893	5,490,211	(71,310)	291,704	1,134,633	1,440,632
Total assets	25,737,199	19,010,500	19,251,893	19,698,993	12,686,543	12,415,332	12,614,148	11,868,307
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Results of Operations

Three Months Ended June 30, 2015 Compared to Three Months Ended March 31, 2015

During the three months ended June 30, 2015 (“Q3”) the Company reported a net loss of \$826,539, compared to a net loss of \$265,465 for the three months ended March 31, 2015 (“Q2”), an increase in loss of \$561,074. The increase in loss in Q3 was attributed primarily to:

- (i) an increase of \$64,125 in professional fees from \$52,083 in Q2 to \$116,208 in Q3, mainly reflecting a severance payment of \$54,000 made in Q3 to Mr. John Nebocat, the Company’s former VP of Exploration; and
- (ii) a \$430,618 increase in share-based compensation. During Q3 the Company granted share options to purchase 5,120,000 common shares and recorded compensation expense of \$434,608. During Q2 the Company did not grant any share options. In addition, during Q3 the Company recorded share-based compensation of \$13,824, compared to \$17,814 during Q2, on the vesting of share options which were previously granted.

Nine Months Ended June 30, 2015 Compared to Nine Months Ended June 30, 2014

During the nine months ended June 30, 2015 (the “2015 period”), the Company reported a net loss of \$1,461,337 (\$0.01 per share), compared to a net loss of \$784,877 (\$0.01 per share) for the nine months ended June 30, 2014 (the “2014 period”), an increase in loss of \$676,460.

General and administrative expenses increased by \$762,291, from \$839,156 during the 2014 period to \$1,601,447 during the 2015 period. Specific expenses of note are as follows:

- (i) during the 2015 period the Company was billed \$31,225 (2014 - \$31,250) for accounting and administration services provided by Chase Management Ltd. (“Chase”) a private company owned by Mr. Nick DeMare, the Chief Financial Officer (“CFO”) and a director of the Company. In addition, the Company was billed \$3,015 (2014 - \$3,015) by Chase for office space provided;
- (ii) Dr. Graham Carman is currently paid a monthly fee of \$18,333 in his capacity as President of the Company. During the 2015 period the Company paid a total of \$165,000 to Dr. Carman. During the 2014 period the

Company paid a total of \$90,000 (\$10,000 per month) to Mr. Andrew Carter as the Company's then President. These fees are reported as management fees;

- (iii) during the 2015 period the Company incurred \$207,181 (2014 - \$78,970) for professional expenses, of which \$129,607 (2014 - \$54,000) was billed by directors, officers and the former Vice-President of Exploration of the Company, \$26,736 (2014 - \$16,340) was reimbursed to public companies with certain common directors for shared personnel, office and other costs and \$50,838 (2014 - \$8,630) was billed by various parties for financial advisory services. The Company also capitalized \$82,386 (2014 - \$22,900) professional fees to exploration and evaluation assets. See also "Transactions with Related Parties";
- (iv) share-based compensation of \$461,443 (2014 - \$19,591) was recorded during the 2015 period relating to the granting of 5,470,000 (2014 - 220,000) share options. During the 2015 period the Company also recorded share-based compensation of \$50,745 (2014 - \$nil) on the vesting of stock options which were previously granted;
- (v) from August 2014 the June 2015 the Company engaged an arms-length party, Albis Capital Corp. ("Albis"), to provide investor relations services. Albis was paid \$51,000 during the 2014 period and \$17,000 for the 2015 period;
- (vi) corporate development expenses decreased by \$7,773 from \$22,293 during the 2014 period to \$14,520 during the 2015 period, reflecting reduced corporate development programs;
- (vii) audit fees of \$32,808 (2014 - \$30,015) were incurred for the Company's year-end financial statements; and
- (viii) increase of \$52,234 during the 2015 period in legal, office, transfer agent and other costs, reflecting the additional organizational structure resulting from the Darwin acquisition and increased shareholder base.

The increase in the general and administrative expenses during the 2015 period was partially offset by a \$57,962 increase in foreign exchange gain.

During the 2015 period the Company capitalized \$2,899,622 (2014 - \$2,355,575) for mineral property interests exploration expenditures and acquisition costs, comprising \$927,127 (2014 - \$423,754) on the Colquipucro Project, \$1,927,494 (2014 - \$1,709,426) on the Ayawilca Project, \$7,762 on other concessions in Peru, and \$298,042 (2014 - \$222,395) for IVA tax in Peru. During the 2015 period the Company made applications and received recoveries of \$260,803 VAT tax in Peru. In July 2014 the Company also completed the acquisition of Darwin, resulting in \$1,877,826 acquisition costs attributed to the Suriloma Property and \$262,297 attributed to other concessions in Peru. In August 2014 the Company determined to terminate the option agreements on the Suriloma Property and, accordingly, recorded an impairment charge of \$1,877,826. See also "Exploration Projects".

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

	As at June 30, 2015			As at September 30, 2014		
	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$	Acquisition Costs \$	Deferred Exploration Costs \$	Total \$
Colquipucro	338,330	7,035,239	7,373,569	278,289	6,168,153	6,446,442
Ayawilca	124,260	7,273,548	7,397,808	78,352	5,391,962	5,470,314
Other	-	1,850,358	1,850,358	-	1,805,357	1,805,357
	<u>462,590</u>	<u>16,159,145</u>	<u>16,621,735</u>	<u>356,641</u>	<u>13,365,472</u>	<u>13,722,113</u>

Exploration and evaluation activities incurred during the nine months ended June 30, 2015 and fiscal 2014 are as follows:

	Colquipucro \$	Ayawilca \$	Suriloma \$	Other \$	Total \$
Balance at September 30, 2013	<u>5,771,337</u>	<u>3,088,398</u>	<u>-</u>	<u>1,243,275</u>	<u>10,103,010</u>
Exploration costs					
Assays	37,943	63,384	-	-	101,327
Camp costs	55,155	153,534	-	-	208,689
Community relations	15,409	128,273	-	-	143,682
Consulting	2,400	12,447	-	-	14,847
Depreciation	6,026	24,207	-	-	30,233
Drilling	36,461	947,429	-	-	983,890
Environmental	8,037	10,559	-	-	18,596
Exploration site	47,595	174,924	-	-	222,519
Field equipment	14,302	90,774	-	-	105,076
Fuel	17,446	148,800	-	-	166,246
Geological	66,292	181,648	-	-	247,940
Geophysics	-	54,766	-	-	54,766
Salaries	281,513	135,277	-	-	416,790
Transportation	13,061	198,516	-	-	211,577
Travel	2,343	3,010	-	-	5,353
VAT incurred	-	-	-	316,841	316,841
VAT recovered	-	-	-	(17,056)	(17,056)
	<u>603,983</u>	<u>2,327,548</u>	<u>-</u>	<u>299,785</u>	<u>3,231,316</u>
Acquisition costs					
Acquired on Acquisition	-	-	1,877,826	262,297	2,140,123
Concession payments	<u>71,122</u>	<u>54,368</u>	<u>-</u>	<u>-</u>	<u>125,490</u>
	<u>71,122</u>	<u>54,368</u>	<u>1,877,826</u>	<u>262,297</u>	<u>2,265,613</u>
Impairment	<u>-</u>	<u>-</u>	<u>(1,877,826)</u>	<u>-</u>	<u>(1,877,826)</u>
Balance at September 30, 2014	<u>6,446,442</u>	<u>5,470,314</u>	<u>-</u>	<u>1,805,357</u>	<u>13,722,113</u>
Exploration costs					
Assays	22,685	94,495	-	-	117,180
Camp costs	31,588	81,887	-	-	113,475
Community relations	25,476	48,519	-	-	73,995
Consulting	60,950	60,950	-	-	121,900
Depreciation	5,871	13,100	-	-	18,971
Drilling	223,256	494,916	-	-	718,172
Environmental	12,717	9,325	-	-	22,042
Exploration site	40,134	154,026	-	-	194,160
Field equipment	2,848	87,247	-	-	90,095
Fuel	28,055	128,248	-	-	156,303
Geological	40,825	135,800	-	-	176,625
Geophysics	19,322	198,067	-	-	217,389
Metallurgical test work	-	2,916	-	-	2,916
Salaries	319,626	253,650	-	-	573,276
Transportation	31,364	114,754	-	-	146,118
Travel	2,369	3,686	-	-	6,055
VAT incurred	-	-	-	298,042	298,042
VAT recovered	-	-	-	(260,803)	(260,803)
	<u>867,086</u>	<u>1,881,586</u>	<u>-</u>	<u>37,239</u>	<u>2,785,911</u>
Acquisition costs					
Concession payments	<u>60,041</u>	<u>45,908</u>	<u>-</u>	<u>7,762</u>	<u>113,711</u>
Balance at June 30, 2015	<u>7,373,569</u>	<u>7,397,808</u>	<u>-</u>	<u>1,850,358</u>	<u>16,621,735</u>

During the nine months ended June 30, 2015 the Company completed a non-brokered private placement financing of 33,737,093 units at a price of \$0.215 per unit for gross proceeds of \$7,253,475. The funds are being used to advance the Company's exploration efforts at Ayawilca and Colquipucro, Peru, and for general working purposes.

During the 2014 period the Company completed private placement financings as follows:

- (i) 2,769,480 units at a price of \$0.50 per unit for gross proceeds of \$1,384,740; and
- (ii) 1,818,182 units first tranche closing with Sentient at a price of \$0.275 per unit for gross proceeds of \$500,000.

In addition, during the 2014 period the Company received \$21,600 from the exercise of share options. The funds were used for exploration on the Company's Colquipucro and Ayawilca projects and general working capital purposes.

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 June 30, 2015 the Company had cash of \$9,005,561 and working capital in the amount of \$8,807,814. The Company has budgeted approximately \$5,000,000 for its drill programs on Ayawilca and Colquipucro, of which approximately \$2,900,000 has been spent during the 2015 period. Management considers that the Company has sufficient funds to complete its current exploration budget. 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 accounting policies is included in Note 3 to the September 30, 2014 annual consolidated financial statements.

Changes in Accounting Policies

There are no changes in accounting policies.

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 the nine months ended June 30, 2015 and 2014 the following amounts were incurred with respect to the Company's current CEO (Dr. Carman), the former CEO (Mr. Andrew Carter), the Company's current VP Exploration (Mr. Alvaro Fernandez-Baca), former VP Exploration (Mr. John Nebocat), and the Company's CFO (Mr. Nick DeMare):

	2015 \$	2014 \$
Management fees - Dr. Carman	165,000	-
Management fees -Mr. Carter	-	90,000
Professional fees - Mr. DeMare	22,500	13,500
Professional fees - Mr. Fernandez-Baca	33,493	-
Professional fees - Mr. Nebocat	120,000	45,400
Share-based compensation - Dr. Carman	162,603	-
Share-based compensation - Mr. DeMare	26,425	-
Share-based compensation - Mr. Fernandez-Baca	36,472	-
	<u>566,493</u>	<u>148,900</u>

The Company has expensed \$258,607 (2014 - \$36,000) of key management compensation to operations and capitalized \$82,386 (2014 - \$22,900) to exploration and evaluation assets.

As at June 30, 2015, \$nil (2014 - \$10,500) remained unpaid.

(b) *Transactions with Other Related Parties*

(i) During the nine months ended June 30, 2015 the following amounts were incurred for professional services provided by non-management directors of the Company (Messrs. David Henstridge and William Lee) and the Corporate Secretary (Ms. Mariana Bermudez):

	2015 \$	2014 \$
Professional fees - Mr. Henstridge	18,000	9,000
Professional fees - Mr. Lee	18,000	9,000
Share-based compensation - Mr. Henstridge	26,425	-
Share-based compensation - Mr. Lee	26,425	-
Share-based compensation - Ms. Bermudez	26,425	-
	<u>115,275</u>	<u>18,000</u>

As at June 30, 2015, \$10,000 (2014 - \$4,000) remained unpaid.

(ii) During nine months ended June 30, 2015 the Company incurred a total of \$31,225 (2014 - \$31,250) with Chase, a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding Mr. DeMare, and \$3,015 (2014 - \$3,015) for rent. As at June 30, 2015, \$6,370 (2014 - \$8,120) remained unpaid.

(c) The Company shared personnel, office and other costs with two public companies, Tasman Metals Ltd. ("Tasman") and Mawson Resources Limited ("Mawson"). Mr. DeMare and Mr. Henstridge are also directors of Tasman and Mawson. During nine months ended June 30, 2015 the Company incurred \$26,736 (2014 - \$16,340) for expenses. As at June 30, 2015, \$5,876 (2014 - \$2,500) remained unpaid.

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 August 28, 2015, there were 149,807,322 issued common shares, 40,143,556 warrants outstanding exercisable at prices ranging from \$0.30 to \$0.77 per share and 11,045,000 share options outstanding, at exercise prices ranging from \$0.30 to \$1.00 per share.